ST. HELENS SCHOOL DISTRICT
COLUMBIA COUNTY, OREGON

FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2019

12700 SW 72nd Ave.
Tigard, OR 97223

ST. HELENS SCHOOL DISTRICT
COLUMBIA COUNTY, OREGON

2018-2019 FINANCIAL REPORT

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ST. HELENS SCHOOL DISTRICT
COLUMBIA COUNTY, OREGON

2018-2019 FINANCIAL REPORT

BOARD OF EDUCATION	TERM EXPIRES
Kellie Smith, Chair	June 30, 2021
Melody Killens, Vice Chair	June 30, 2019
Bill Amos	June 30, 2019
Trinity Monahan	June 30, 2021
Ryan Scholl	June 30, 2019

Board members receive mail at the District Office address listed below

ADMINISTRATION

Scot Stockwell, Superintendent
Jessica Seay, Business Manager
474 North 16th Street
St. Helens, Oregon 97051

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December 19, 2019

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
St. Helens School District
Columbia County, Oregon

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of St. Helens School District, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of St. Helens School District, as of June 30, 2019, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of a Matter

The District adopted the provisions of GASB No. 88 – Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements for the year ended June 30, 2019. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, and required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The budgetary comparison schedules presented as Required Supplementary Information, as listed in the table of contents, have been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and in our opinion are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The supplementary information, as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CRF) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and is also not a required part of the basic financial statements.

The supplementary information, as listed in the table of contents, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information, as listed in the table of contents, and the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The listing of board members containing their term expiration dates, located before the table of contents, has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Reports on Other Legal and Regulatory Requirements

In accordance with *Government Auditing Standards*, we have also issued our reports dated December 19, 2019 on our consideration of the internal control over financial reporting and on our tests of compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of those reports is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. The reports are an integral part of an audit performed in accordance with *Government Auditing Standards* in considering internal control over financial reporting and compliance.

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated December 19, 2019, on our consideration of compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.



Tara M. Kamp, CPA
PAULY, ROGERS AND CO., P.C.

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ST. HELENS SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2019

As management of St. Helens School District (the District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2019.

FINANCIAL HIGHLIGHTS

- In the government-wide statements, the net position of the District at June 30, 2019 was -$1.1 million. Of this amount, $23.9 million represents the District's net investment in capital assets, $267 thousand was restricted for debt service, and -$25.3 million was unrestricted.
- The District's total net position decreased by $13 thousand.
- The District's total liabilities increased by $5.9 million (6.4 percent) during the 2019-20 fiscal year.
- The District's governmental funds report a combined ending fund balance of $24.6 million at June 30, 2019, a decrease of $26 million from the prior year, due to capital improvements.
- At the end of the fiscal year ended June 30, 2019, fund balance for the General Fund was $5.6 million, which represents approximately 18.8 percent of total General Fund revenues.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business. These statements include:

The S*tatement of Net Position.* The *statement of net position* presents information on all of the assets and liabilities of the District as of the date on the statement. Net position is what remains after the liabilities have been paid off or otherwise satisfied. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The *Statement of Activities.* The *statement of activities* presents information showing how the net position of the District changed over the most recent fiscal year by tracking revenues, expenses and other transactions that increase or reduce net position. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned, but unused vacation leave).

In the government-wide financial statements, the District's activities are shown as governmental activities. All basic District functions are shown here, such as regular and special education, child nutrition services, transportation, administration, and facilities acquisition and construction. These activities are primarily financed through property taxes, Oregon's State School Fund and other intergovernmental revenues.

Fund financial statements. The *fund financial statements* provide more detailed information about the District's funds, focusing on its most significant or "major" funds – not the District as a whole. A fund is

a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The St. Helens School District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The *governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The District maintains four individual governmental funds. Information is presented separately in the governmental funds balance sheet and the governmental fund's statement of revenues, expenditures and changes in fund balances for the General Fund, the Special Revenue Fund, the Debt Service Fund, and the Capital Projects Fund, which are all considered to be major funds.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* related to PERS and other postemployment benefit obligations and schedules of revenues, expenditures and changes in fund balance - budget and actual for the General Fund and the Special Revenue Fund. The budgetary information for the Debt Service Fund and the Capital Projects Fund, as well as budgetary information on all funds and other schedules required by the Department of Education and the Secretary of State, are presented as *other supplementary information.*

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Position. As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, net position was -$1.1 million as of June 30, 2019.

Capital assets, which consist of the District's land, buildings, building improvements, vehicles, and equipment, represent 60.4 percent of total assets and deferred outlfows. The remaining assets consist mainly of investments, cash, and grants and property taxes receivable.

The District's largest liability (70.0 percent) is for the repayment of long-term liabilities (general obligation bonds, pension bonds, and other postemployment benefit obligations). Current liabilities, representing 10.0 percent of the District's total liabilities, are made up of payables on accounts, salaries and benefits, and interest on long-term liabilities.

A large portion of the District's fund balance reflect general obligation bond proceeds on hand restricted for facility construction projects as approved by voters in November 2016. Additionally, the District's

investment in capital assets (e.g. land, buildings, vehicles and equipment), less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to students and other District residents; consequently these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources (generally property taxes), since the capital assets themselves cannot be used to liquidate these liabilities.

St. Helens School District
Statements of Net Position
June 30,

	2019	2018	Change
Current and other assets	$ 31,532,068	$ 54,040,208	$ (22,508,140)
Net OPEB asset for RHIA	167,825	63,550	104,275
Capital assets, net	60,106,262	32,050,777	28,055,485
Total assets	91,806,155	86,154,535	5,651,620
Stipend deferred outlfows	736	1,054	(318)
PERS deferred outlfows	7,536,473	5,920,439	1,616,034
RHIA OPEB deferred outflows	77,590	72,797	4,793
Medical OPEB deferred outflows	36,428	40,949	(4,521)
Total assets and deferred outflows	99,457,382	92,189,774	7,267,608
Current liabilities	10,085,697	4,973,605	5,112,092
Total pension liabiity for stipends	67,235	80,463	(13,228)
PERS net pension liability	15,807,758	12,517,377	3,290,381
Total OPEB liability for medical subsidy	1,595,581	1,775,600	(180,019)
Long-term debt	70,408,465	72,738,001	(2,329,536)
Total liabilities	97,964,736	92,085,046	5,879,690
Stipend deferred inflows	6,523	9,335	(2,812)
PERS deferred inflows	2,559,241	1,171,357	1,387,884
RHIA OPEB deferred inflows	46,627	30,069	16,558
Total liabilities and deferred inflows	100,577,127	93,295,807	7,281,320
Net position			
Net investment in capital assets	23,933,865	22,232,929	1,700,936
Restricted	267,253	303,470	(36,217)
Unrestricted	(25,320,863)	(23,642,432)	(1,678,431)
Total net position	$ (1,119,745)	$ (1,106,033)	$ (13,712)

Statement of Activities. During the current fiscal year, the District's net position decreased by $13 thousand, compared to a decrease of $1.6 million in the prior year. The key elements of the decrease in the District's net position for the year ended June 30, 2019 are as follows:

- General support increased $4.2 million. The District received a capital grant from the Department of Education for $4 million, state and local funds increased $738 thousand (more than 100%), and property taxes increased $574 thousand (5.3%). These increases were offset by the State School Fund decrease of $1.2 million (5.8%) and Fees, Fines and Charges for Services decreasing $160 thousand (19.2%).
- Total expenses increased $2.9 million. Instructional programs expenses increased $989 thousand

(4.7 percent) and support services expenses increased $2.6 million (22.8 percent), primarily due to increases in employee benefits pertaining to Oregon's Public Employee Retirement System (OPERS) and depreciation expense. Interest on long-term liabilities decreased $818 thousand (17.2%) due to the structure of the general obligation bond's repayment schedule.

St. Helens School District
Statements of Activities
Years ended June 30,

	2019	2018	Change
Revenues			
Program revenues			
Fees, fines and charges for services	$ 673,385.00	$ 833,361.00	$ (159,976.00)
Operating grants and contributions	3,409,143	3,341,340	67,803
Capital grants and contributions	4,000,000	-	4,000,000
General revenues			
Property taxes	11,387,863	10,813,214	574,649
Construction excise tax	113,541	98,116	15,425
State school fund	18,712,497	19,874,393	(1,161,896)
Common school fund	297,330	284,809	12,521
Intergovernmental	235,800	-	235,800
Unrestricted state and local funds	1,233,613	496,068	737,545
Earnings on investments	1,192,579	951,453	241,126
Miscellaneous	-	276,073	(276,073)
Gain on sale of capital assets	-	66,844	(66,844)
	41,255,751	37,035,671	4,220,080
Expenses			
Instructional programs	21,927,628	20,938,951	988,677
Support services	14,165,331	11,534,280	2,631,051
Community services	1,241,708	1,176,132	65,576
Interest on long-term liabilities	3,934,796	4,752,804	(818,008)
Total expenses	41,269,463	38,402,167	2,867,296
Change in net position	(13,712)	(1,366,496)	1,352,784
Net position, beginning of year	(1,106,033)	260,463	(1,366,496)
Net position, end of year	$ (1,119,745)	$ (1,106,033)	$ (13,712)

Financial Analysis of the District's Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the District's governmental funds is to provide information on relatively short-term cash flow and funding for future basic services. Such information is useful in assessing the District's financing requirements. In particular, *fund balance* may serve as a useful measure of a government's net resources available for spending at the end of a fiscal year. At June 30, 2019, the District's governmental funds reported combined ending fund balances of $24.6 million, a decrease of $26 million in

comparison with the prior year.

General Fund. The General Fund is the primary operating fund of the District. As of June 30, 2019, the fund balance was $5.6 million. The fund balance increased by $800 thousand during the current fiscal year. As a measure of the fund's liquidity, it may be useful to compare total fund balance to total fund revenues. Fund balance represents 18.8 percent of total General Fund revenues. Expenditures for instruction decreased $218 thousand (1.3 percent) and expenditures for support services increased $411 thousand (3.8 percent).

The budget for the General Fund was adopted by the Board on June 28, 2018. There were two changes to the General Fund budget during the fiscal year. The first occurred to recognize additional sources of revenue and appropriate additional expenditures to the areas of instruction ($485 thousand), supporting services ($169 thousand), increase the transfer to the capital projects fund ($25 thousand), and to increase the reserve and unappropriated ending fund balance ($1.3 million). The second included transferring appropriation authority from instruction to supporting services in the amount of $125 thousand.

Special Revenue Fund. The Special Revenue Fund has a total fund balance of $535 thousand, a decrease of $17 thousand from the prior year. Of this balance, all funds are committed by the Board, except for food service inventories and prepaid expenses, which are non-spendable. Commitments to student body activities total $451 thousand.

Debt Service Fund. The Debt Service Fund has a total fund balance of $325 thousand, of which $267 thousand is restricted and $58 thousand is committed to the payment of debt service. During the year ending June 30, 2019, this fund contains the activity of two debt service functions which account for the general obligation bond debt service and the PERS bond debt service. The net increase in fund balance during the current year was $35 thousand.

Capital Projects Fund. The ending fund balance for the Capital Projects Fund decreased $26.9 million from $45 million at the end of the prior year to $18.1 million for the year ended June 30, 2019. The decrease was attributable to facility improvements for the District's secondary programs. Nearly all of the fund balance is restricted for facility improvements.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets. The District's investment in capital assets includes land, buildings and improvements, vehicles and equipment. As of June 30, 2019, the District had invested $60.1 million in capital assets, net of depreciation, as shown in the following table:

	2019	2018	Change
Land	$ 2,365,823	$ 2,365,823	$ -
Assets held for sale	-	227,381	(227,381)
Construction in progress	29,546,688	7,694,940	21,851,748
Building and improvements	27,092,028	20,997,230	6,094,798
Vehicles and equipment	1,101,723	765,403	336,320
Total	$ 60,106,262	$ 32,050,777	$ 28,055,485

During fiscal year 2018-19, the District's investment in capital assets increased by $28.1 million. The major capital asset events for the year ended June 30, 2019 include additions totaling $38.5 million, net disposals totaling $9.3 million and depreciation expense of $1.2 million.

Additional information regarding the District's capital assets can be found in the notes to basic financial statements of this report.

Long-term debt. At the end of the current fiscal year, the District had total long-term debt outstanding of $65.3 million, consisting of general obligation bonded debt of $46.8 million, pension bonds of $17.3 million, and tax exempt financing of $1.2 million.

Current year principal payments totaled $842 thousand.

State statutes limit the amount of general obligation debt a governmental entity may issue to 7.95 percent of its total real market valuation. The current debt limitation for the District is $223 million, which is significantly in excess of the District's outstanding general obligation debt of $46.8 million. The pension bonds are not subject to the statutory debt limitation.

Additional information on the District's long-term debt can be found in the notes to the basic financial statements of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The major source of funding for the District is the State of Oregon's school funding formula. The state formula funding includes both local and state revenue and is based largely on enrollment. For the year ended June 30, 2019, formula revenue totaled $29.8 million and accounted for approximately 96.5 percent of the District's General Fund revenue.

The state legislature maintained funding for K-12 education by means of the state school fund grant for the second year of the 2017-19 biennium at a total of $4.1 billion. This level funding combined with decreasing enrollment resulted in the District's total formula revenue allocation initially decreasing as much as $324 thousand based off information available at the time of the preparation of this analysis. For the 2019-2021 biennium, the state legislature increased K-12 education funding by $800 million (9.8%). Additionally, the legislature passed the "Student Success Act" which creates a corporate activity tax that will generate approximately $2 billion for various education initiatives. Districts have the opportunity to apply for grants to access a portion of these funds which comprise a "Student Investment Account". It is the District's intention to apply for these funds which may provide up to an additional $2 million in state support based on preliminary estimates. Access to these funds would be no earlier than July 2020.

As of June 30, 2019, the District's had contracts in effect with the St. Helens Education Association and the Oregon School Employees Association Chapter No. 31. The contract with St. Helens Education Association is in effect through June 30, 2020 whereas the contract with Oregon School Employees Association Chapter No. 31 is in effect through June 30, 2022. The District's PERS rates for the 2017-19 biennium were 5.61 percent of salary covered under the plan for *Tier 1* and *Tier 2* and .43 percent of salary for employees covered under the Oregon Public Service Retirement Plan (OPSRP). For the 2019-21 biennium, rates for *Tier 1* and *Tier 2* increased to 9.07 percent and rates for OPSRP increased to 3.62 percent. Since payroll related costs represent 75-80 percent of District expenses, these factors will significantly influence long-range planning.

REQUESTS FOR INFORMATION

This financial report is designed to present the user (citizens, taxpayers, investors, and creditors) with a general overview of the District's finances and to demonstrate the District's accountability. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Financial Services, 474 North 16th Street, St. Helens, Oregon 97051.

ST. HELENS SCHOOL DISTRICT
COLUMBIA COUNTY, OREGON

BASIC FINANCIAL STATEMENTS

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ST. HELENS SCHOOL DISTRICT
COLUMBIA COUNTY, OREGON

STATEMENT OF NET POSITION
June 30, 2019

ASSETS:		
Cash and Cash Equivalents	$	28,878,527
Property Taxes Receivable		757,333
Due From Other Governments		1,798,504
Other Receivables		40,350
Inventories		6,387
Prepaid Expenses		50,967
Capital Assets Not Being Depreciated		
Land		2,365,823
Construction in Progress		29,546,688
Capital Assets - Net of Depreciation		
Buildings and Land Improvements		27,092,028
Equipment and Vehicles		1,101,723
Total OPEB Asset for RHIA		167,825
Total Assets		91,806,155
DEFERRED OUTFLOWS OF RESOURCES:		
Stipend Deferred Outflows		736
PERS Deferred Outflows		7,536,473
RHIA OPEB Deferred Outflows		77,590
Medical OPEB Deferred Outflows		36,428
Total Deferred Outflows of Resources		7,651,227
LIABILITIES:		
Accounts Payable		5,979,906
Accrued Payroll, Taxes, and Employee Withholdings		331,915
Unearned Revenue		10,111
Interest Payable		2,462,070
Accrued Compensated Absences		86,085
Current Portion of Long-Term Debt		1,215,610
Non-current Liabilities		
Long-Term Debt, due within more than one year		70,408,465
Total Pension Liability For Stipends		67,235
PERS Net Pension Liability		15,807,758
Total OPEB Liability For Medical Subsidy		1,595,581
Total Liabilities		97,964,736
DEFERRED INFLOWS OF RESOURCES:		
Stipend Deferred Inflows		6,523
PERS Deferred Inflows		2,559,241
RHIA OPEB Deferred Inflows		46,627
Total Deferred Inflows of Resources		2,612,391
NET POSITION:		
Net investment in capital assets		23,933,865
Restricted for debt service		267,253
Unrestricted		(25,320,863)
Total Net Position	$	(1,119,745)

See accompanying notes to basic financial statements

ST. HELENS SCHOOL DISTRICT
COLUMBIA COUNTY, OREGON

STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2019

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES: CHARGES FOR SERVICES	PROGRAM REVENUES: OPERATING GRANTS AND CONTRIBUTIONS	PROGRAM REVENUES: CAPITAL GRANTS AND CONTRIBUTIONS	NET (EXPENSE) REVENUE CHANGES IN NET POSITION
Instruction	$ 21,927,628	$ -	$ 2,455,807	$ 4,000,000	$ (15,471,821)
Support Services	14,165,331	277,311	219,759	-	(13,668,261)
Community Services	1,241,708	396,074	733,577	-	(112,057)
Interest on Long-Term Debt	3,934,796	-	-	-	(3,934,796)
Total Governmental Activities	$ 41,269,463	$ 673,385	$ 3,409,143	4,000,000	(33,186,935)

General Revenues:	
Property Taxes	11,387,863
Construction Excise Tax	113,541
State School Fund	18,712,497
Common School Fund	297,330
Intergovernmental	235,800
Unrestricted State and Local Funds	1,233,613
Earnings and Investments	1,192,579
Total General Revenues	33,173,223
Change in Net Position	(13,712)
Net Position - Beginning	(1,106,033)
Net Position - Ending	$ (1,119,745)

See accompanying notes to basic financial statements

ST. HELENS SCHOOL DISTRICT
COLUMBIA COUNTY, OREGON

BALANCE SHEET - GOVERNMENTAL FUNDS
June 30, 2019

	GENERAL FUND	SPECIAL REVENUE FUNDS	DEBT SERVICE	CAPITAL PROJECTS	TOTALS
ASSETS:					
Cash and Investments	$ 4,977,910	$ -	$ 289,872	$ 23,610,745	$ 28,878,527
Property Taxes Receivable	598,369	-	158,964	-	757,333
Due From Other Funds	236,126	-	-	-	236,126
Receivable From Other Governments	934,338	827,526	-	36,640	1,798,504
Other Receivables	37,246	3,104	-	-	40,350
Inventories	-	6,387	-	-	6,387
Prepaid expenses	37,174	13,793	-	-	50,967
TOTAL ASSETS:	$ 6,821,163	$ 850,810	$ 448,836	$ 23,647,385	$ 31,768,194
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND EQUITY:					
Liabilities:					
Salaries and Benefits Payable	$ 293,010	$ 38,905	$ -	$ -	$ 331,915
Accounts Payable	417,296	39,015	-	5,523,595	5,979,906
Unearned Revenue	8,250	1,430	-	431	10,111
Due to Other Funds	-	236,126	-	-	236,126
Total Liabilities	718,556	315,476	-	5,524,026	6,558,058
Deferred Inflows of Resources:					
Unavailable Revenue - Property Taxes	467,399	-	123,594	-	590,993
Total Deferred Inflows of Resources	467,399	-	123,594	-	590,993
Fund Balances:					
Non-Spendable:					
Inventory	-	6,387	-	-	6,387
Prepaid Expenses	37,174	13,793	-	-	50,967
Restricted For:					
Facility Improvements	-	-	-	18,123,359	18,123,359
Debt Service	-	-	267,253	-	267,253
Committed to:					
Special Revenue Fund Activities	-	515,154	-	-	515,154
Debt Service	-	-	57,989	-	57,989
Unassigned	5,598,034	-	-	-	5,598,034
Total Fund Balances	5,635,208	535,334	325,242	18,123,359	24,619,143
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND EQUITY:	$ 6,821,163	$ 850,810	$ 448,836	$ 23,647,385	$ 31,768,194

See accompanying notes to basic financial statements

ST. HELENS SCHOOL DISTRICT
COLUMBIA COUNTY, OREGON

Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Position
June 30, 2019

Total Fund Balances - Governmental Funds		$ 24,619,143
The cost of capital assets (land, buildings, furniture and equipment) purchased or constructed is reported as an expenditure in governmental funds. The Statement of Net Position includes those capital assets among the assets of the District as a whole.		
Cost	$ 83,231,622	
Accumulated Depreciation	(23,125,360)	60,106,262
A portion of the District's property taxes are collected after year-end, but are not available soon enough to pay for the current year's operations, and therefore are not reported as revenue in the District's governmental activities.		590,993
Long-term pension liabilities not payable in the current year are not reported as governmental fund liabilities. Actuarial changes create deferred outflows and inflows of resources. These consist of:		
Total pension liability for stipends	(67,235)	
Stipend deferred outflows of resources	736	
Stipend deferred inflows of resources	(6,523)	
PERS net pension liability	(15,807,758)	
PERS deferred outflows of resources	7,536,473	
PERS deferred inflows of resources	(2,559,241)	(10,903,548)
Long-term OPEB assets/(liabilities) not payable in the current year are not reported as governmental fund liabilities. Actuarial changes create deferred outflows and inflows of resources. These consist of:		
Net OPEB asset for RHIA	167,825	
RHIA OPEB deferred outflows of resources	77,590	
RHIA OPEB deferred inflows of resources	(46,627)	
Total OPEB liability for medical subsidy	(1,595,581)	
Medical OPEB deferred outflows of resources	36,428	(1,360,365)
Long-term liabilities applicable to the District's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities, both current and long term, are reported in the Statement of Net Position.		
Long term Liabilities		
Accrued interest	(2,462,070)	
Accrued compensated absences	(86,085)	
Long-term debt	(71,624,075)	
		(74,172,230)
Net Position		$ (1,119,745)

See accompanying notes to basic financial statements

ST. HELENS SCHOOL DISTRICT
COLUMBIA COUNTY, OREGON

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2019

REVENUES:	GENERAL FUND	SPECIAL REVENUE FUNDS	DEBT SERVICE	CAPITAL CONSTRUCTION FUND	TOTALS
Property Taxes	$ 9,101,341	$ -	$ 2,452,621	$ -	$ 11,553,962
Construction Excise Tax	-	-	-	113,541	113,541
Intergovernmental:					
Intermediate Sources	658,252	132,666	-	2,690	793,608
State Sources	19,664,685	869,290	-	4,000,000	24,533,975
Federal Sources	28,108	2,077,133	-	-	2,105,241
Charges for Services	32,787	807,562	2,429,896	9,288	3,279,533
Contributions	2,500	86,323	-	-	88,823
Investment Earnings	262,353	165	-	930,061	1,192,579
Miscellaneous	117,676	72,808	-	-	190,484
Total Revenues	29,867,702	4,045,947	4,882,517	5,055,580	43,851,746
EXPENDITURES:					
Current:					
Instruction	17,442,654	2,495,224	-	-	19,937,878
Support Services	11,268,725	557,531	-	-	11,826,256
Community Services	-	1,129,033	-	-	1,129,033
Facilities Acquisition and Construction	-	-	-	825,073	825,073
Debt Service					
Principal	167,000	-	675,588	-	842,588
Interest	11,642	-	4,172,254	-	4,183,896
Capital Outlay	95,232	102,152	-	31,138,393	31,335,777
Total Expenditures	28,985,253	4,283,940	4,847,842	31,963,466	70,080,501
Excess (deficiency) of revenues over (under) expenditures	882,449	(237,993)	34,675	(26,907,886)	(26,228,755)
Other Financing Sources, (Uses):					
Transfers In	-	220,467	190,250	50,000	460,717
Transfers Out	(270,467)	-	(190,250)	-	(460,717)
Total Other Financing Sources, (Uses)	(270,467)	220,467	-	50,000	-
Net Change in Fund Balance	611,982	(17,526)	34,675	(26,857,886)	(26,228,755)
Beginning Fund Balance	5,023,226	552,860	290,567	44,981,245	50,847,898
Ending Fund Balance	$ 5,635,208	$ 535,334	$ 325,242	$ 18,123,359	$ 24,619,143

See accompanying notes to basic financial statements

ST. HELENS SCHOOL DISTRICT
COLUMBIA COUNTY, OREGON

Reconciliation of the Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances
to the Statement of Activities
For the Year Ended June 30, 2019

Total Net Changes in Fund Balances - Governmental Funds		$ (26,228,755)
Capital asset additions are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is capitalized and allocated over their estimated useful lives as depreciation expense. This is the amount by which capital assets additions exceeds depreciation.		
Capital Asset Additions, Net	$ 30,369,390	
Depreciation Expense	(1,155,060)	29,214,330
In the Statement of Activities, the cost on disposition of capital assets is reported while in the governmental funds it is not. This is the net book value of assets sold or disposed of during the year.		
Net Book Value		(1,158,845)
Long-term debt proceeds are reported as other financing sources in governmental funds. In the Statement of Net Position, however, issuing long-term debt increases liabilities. Similarly, repayment of principal is an expenditure in the governmental funds but reduces the liability in the Statement of Net Position. This is the amount by which repayments exceeded proceeds:		
Amortization of Bond Premium	271,337	
Debt Principal Paid	842,589	1,113,926
In the Statement of Activities interest is accrued on long-term debt, whereas in the governmental funds it is recorded as an interest expense when due.		(22,238)
Property taxes that do not meet the measurable and available criteria are not recognized as revenue in the current year in the governmental funds. In the Statement of Activities property taxes are recognized as revenue when levied.		(166,099)
In the Statement of Activities, pension expense is adjusted based on actuarially determined contribution changes:		
Net change in stipend net pension liability	15,722	
Net change in PERS net pension liability	(3,062,231)	(3,046,509)
In the Statement of Activities, OPEB expense is adjusted based on actuarially determined contribution changes:		
Net change in RHIA net OPEB liability/asset and deferred outflows/inflows of resources	92,510	
Net change in medical net OPEB liability	175,498	268,008
In the Statement of Activities compensated absences are recognized as expenditures when earned.		12,470
Change in Net Position of Governmental Activities		$ (13,712)

See accompanying notes to basic financial statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies are described below.

A. REPORTING ENTITY

St. Helens School District (the District), also known as Columbia County School District No. 502, is a municipal corporation governed by a separately elected five-member Board of Directors. Administrative officials are approved by the Board. The daily functioning of the District is under the supervision of the Superintendent-Clerk. As required by accounting principles generally accepted in the United States of America, all activities of the District have been included in the basic financial statements.

The District qualifies as a primary government since it has a separately elected governing body, is a legally separate entity, and is fiscally independent. There are various governmental agencies and special service districts, which provide service within the District's boundaries. However, the District is not financially accountable for any of these entities, and therefore, none of them are considered component units or included in these basic financial statements.

The District has granted charter to a public charter school, The Mastery Learning Institute – Arthur Academy. This public charter school is a legally separate, tax-exempt organization governed by its own board of directors and its financial statements may be obtained at its administrative office.

B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND BASIS OF PRESENTATION

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The Statement of Net Position and the Statement of Activities display information about the District. These statements include the governmental financial activities of the overall District, except fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. Governmental activities are financed primarily through property taxes, intergovernmental revenues and charges for services.

The Statement of Activities presents a comparison between direct expenses and program revenues for each of its functions/programs. Direct expenses are those that are specifically associated with a function and, therefore, are clearly identifiable to that function. Eliminations have been made to minimize the double counting of internal activities in the Statement of Activities. Program revenues include: (1) charges to students or others for tuition, fees, rentals, material, supplies or services provided and (2) operating grants and contributions and (3) capital grants and contributions. Revenues that are not classified as program revenues, including property taxes and state support, are presented as general revenues. Net position is reported as restricted when constraints placed on the use of resources are either externally restricted, imposed by creditors (such as through grantors, contributors or laws) or through constitutional provisions or enabling resolutions.

FUND FINANCIAL STATEMENTS

The fund financial statements provide information about the District’s funds. Separate statements for each governmental fund category are presented. The emphasis of fund financial statements is on major governmental funds, each being displayed in a separate column. All remaining governmental funds are

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FUND FINANCIAL STATEMENTS (CONTINUED)

aggregated and reported as other governmental funds. For the current year, all of the District's funds are reported as major funds.

The District reports the following major governmental funds:

GENERAL FUND

This is the District's primary operating fund and accounts for all revenues and expenditures except those required to be accounted for in another fund. Principal revenue sources are an apportionment from the State of Oregon and property taxes.

SPECIAL REVENUE FUNDS

This is a combined fund to account for special revenues intended for grants, food service, and student activities. The revenue sources vary from local food service receipts to receipts from state and federal sources.

DEBT SERVICE

This fund accounts for the payment of principal and interest on general obligation bonded debt, where the principal revenue sources are property taxes. It also accounts for payments of principal and interest on bonded debt issued to fund a portion of the District's unfunded actuarial liability to Oregon Public Employees Retirement System (PERS). Principal revenue sources for PERS bond payments are charges to other funds.

CAPITAL PROJECTS FUND

This fund accounts for funds intended to be used for capital outlay.

USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues, expenditures and expenses during the reporting period. Actual results could differ from those estimates.

CASH, CASH EQUIVALENTS AND INVESTMENTS

The cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

The District's investments consist of State of Oregon Treasurer's Local Government Investment Pool (LGIP). The District's investments are reported at fair value based upon quoted market rates.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

CASH, CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

Changes in the fair value of investments are recorded as investment earnings. The LGIP investment is stated at cost which approximates fair value. Fair value of the LGIP is the same as the District's value in pool shares.

The Oregon State Treasury administers the LGIP. It is an open-ended no-load diversified portfolio offered to any agency, political subdivision or public corporation of the State that by law is made the custodian of, or has control of, any fund. The LGIP is commingled with the State's short-term funds. In seeking to best serve local governments of Oregon, the Oregon legislature established the Oregon Short Term Fund Board. The purpose of the Board is to advise the Oregon State Treasury in the management and investment options of the LGIP.

FAIR VALUE INPUTS METHODOLOGIES AND HIERARCHY

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Observable inputs are developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs are developed based on the best information available about the assumptions market participants would use in pricing the asset. The classification of securities within the fair value hierarchy is based up on the activity level in the market for the security type and the inputs used to determine their fair value, as follows:

Level 1 – unadjusted price quotations in active markets/exchanges for identical assets or liabilities that each Fund has the ability to access
Level 2 – other observable inputs (including, but not limited to, quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, loss severities, credit risks and default rates) or other market–corroborated inputs)
Level 3 – unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available (including each Fund's own assumptions used in determining the fair value of investments)

The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3. The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the fair value hierarchy classification is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

PROPERTY TAXES

Uncollected real and personal property taxes are reflected on the statement of net position and the balance sheet as receivables. Uncollected taxes are deemed by management to be substantially collectible or recoverable through liens; therefore no allowance for uncollectible taxes has been established. All property taxes receivable are due from property owners within the District boundaries. Under state law, county governments are responsible for extending authorized property tax levies, computing tax rates, billing and collecting all property taxes, and making periodic distributions of collections to entities levying taxes.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

PROPERTY TAXES (CONTINUED)

Property taxes become a lien against the property when levied on July 1 of each year and are payable in three installments due on November 15, February 15 and May 15.

Property tax collections are distributed monthly except for November, when such distributions are made weekly.

ACCOUNTS AND OTHER RECEIVABES

Accounts and other receivables are comprised primarily of State school support and claims for reimbursement of costs under various federal and state grants. Amounts are periodically reviewed for collectability. At June 30, 2019, no allowance for doubtful accounts is considered necessary.

GRANTS

Unreimbursed expenditures due from grantor agencies are reflected in the basic financial statements as receivables and revenues. Grant revenues are recorded at the time eligible expenditures are incurred. Cash received from grantor agencies in excess of related grant expenditures is recorded as a liability in the balance sheet and statement of net position.

SUPPLIES INVENTORIES

Inventories of supplies and materials in the governmental funds are stated at cost. Inventories of food and supplies are valued at invoice cost (first-in, first-out). Inventoried items are charged to expenditures of the user department at the time of withdrawal from inventory (consumption method). Commodity inventories are not recorded as title to them is not considered to pass to the District until they are consumed.

CAPITAL ASSETS

Capital assets are recorded at original or estimated original cost. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are recorded at their acquisition value on the date donated. The District defines capital assets as individual assets with an initial cost of more than $5,000 and an estimated life in excess of one year.

Capital assets are depreciated using the straight-line method over the following useful lives:

Land improvements	12 to 20 years
Buildings and improvements	20 to 50 years
Equipment and vehicles	3 to 20 years

RETIREMENT PLANS

Substantially all of the District's employees are participants in the State of Oregon Public Employees Retirement System (PERS). For the purpose of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about fiduciary net position of PERS and additions to/deductions from PERS's fiduciary net position have been determined on the same basis as they are reported by PERS. For this purpose, benefit payments (including

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

RETIREMENT PLANS (CONTINUED)

refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

EARLY RETIREMENT HEALTHCARE BENEFITS

The Board of Directors, through contract negotiation, previously authorized the District to offer early retirement health insurance benefits to all non-temporary employees. Expenditures are recorded in the governmental funds as insurance premiums are incurred. The actuarially determined total pension and OPEB liabilities are recorded in the Statement of Net Position.

COMPENSATED ABSENCES

It is policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since there is no policy to pay any amounts when employees separate from service. All vacation pay is accrued in the government-wide statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignation and retirements.

LONG-TERM OBLIGATIONS

In the government-wide financial statements long-term debt is reported as a liability in the Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed when incurred.

In the fund financial statements bond premiums and discounts, as well as bond issuance costs, are recognized when incurred and not deferred. The face amount of the debt issued, premiums received on debt issuances, and discounts are reported as other financing sources and uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) so will not be recognized as an outflow of resources (expense) until that time. The District has four items that arise only under a full accrual basis of accounting that qualify for reporting in this category. The statement of net position reports one type related to the net RHIA OPEB liability or asset, one type related to the PERS net pension liability, one type related to the total medical OPEB liability and one type related to the total stipend pension liability. These amounts are deferred and recognized as an outflow of resources in the period the amounts become available.

In addition to liabilities, the statement of net position and balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period(s) so will not be recognized as an inflow of resources (revenue) until that time. The District has four items that qualify for reporting in this category. The balance sheet reports unavailable revenues from one source: property

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

DEFERRED OUTFLOWS/INFLOWS OF RESOURCES (CONTINUED)

taxes. The statement of net position reports one type related to the net RHIA OPEB liability, one type related to the PERS net pension liability and one type related to the total stipend pension liability. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

NET POSITION

Net position comprises the various net earnings from operations, nonoperating revenues, expenses and contributions of capital. Net position is classified in the following three categories.

Net investment in capital assets – consists of all capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted – consists of external constraints placed on asset use by creditors, grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted net position – consists of all other net position items that are not included in the other categories previously mentioned.

FUND EQUITY

In March 2009, the GASB issued Statement No. 54, *Fund Balance Reporting and Governmental Fund-type Definitions*. The objective of this statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund-type definitions. This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed on the use of the resources reported in governmental funds. Under this standard, the fund balance classifications of reserved, designated, and unreserved/undesignated were replaced with five new classifications – nonspendable, restricted, committed, assigned, and unassigned.

- Nonspendable fund balance represents amounts that are not in a spendable form.
- Restricted fund balance represents amounts that are legally restricted by outside parties for a specific purpose (such as debt covenants, grant requirements, donor requirements, or other governments) or are restricted by law (constitutionally or by enabling legislation).
- Committed fund balance represents funds formally set aside by the governing body for a particular purpose. The use of committed funds would be approved by resolution.
- Assigned fund balance represents amounts that are constrained by the expressed intent to use resources for specific purposes that do not meet the criteria to be classified as restricted or committed. Intent can be stipulated by the governing body or by an official to whom that authority has been given by the governing body. Authority to classify portions of ending fund balance as Assigned was granted to the Superintendent and the Business Manager.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FUND EQUITY (CONTINUED)

- Unassigned fund balance is the residual classification of the General Fund. Only the General Fund may report a positive unassigned fund balance. Other governmental funds would report any negative residual fund balance as unassigned.

When an expense is incurred that can be paid using either restricted or unrestricted resources (net position), the District's policy is to first apply the expense toward restricted resources and then toward unrestricted resources. In governmental funds, the District's policy is to first apply the expenditure toward restricted fund balance and then to other, less-restrictive classifications committed and then assigned fund balances before using unassigned fund balances.

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

A budget is prepared and legally adopted for each fund in accordance with Oregon Local Budget Law. The budget is prepared using the modified accrual basis of accounting. Financial position, results of operations, and changes in fund balance/net position are reported on the basis of accounting principles generally accepted in the United States of America (GAAP). The budgetary statements provided as part of supplementary information elsewhere in this report are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The budgetary basis of accounting is substantially the same as generally accepted accounting principles in the United States of America with the exception that capital outlay expenditures are expensed when purchased, depreciation is not calculated, inventories of supplies are budgeted as expenditures when purchased, debt, compensated absences, OPEB liabilities are expensed when paid and debt borrowed is recorded as revenue when received, and tax revenues are not recorded as revenue until received.

Budget recommendations are developed by management through spring, with the Budget Committee meeting and approving the budget document in late spring. Public notices of the budget hearing are generally published in May or June, and the hearing is held in June. The budget is adopted, appropriations are made and the tax levy is declared no later than June 30. Expenditure budgets are appropriated at the major function level (instruction, support services, community services, debt service, contingency, and transfers) for each fund. Expenditure appropriations may not legally be over expended, except in the case of grant receipts which could not be reasonably estimated at the time the budget was adopted.

Unexpected additional resources may be added to the budget through the use of a supplemental budget and appropriation resolution. Supplemental budgets less than 10% of the fund’s original budget may be adopted by the Board of Directors at a regular meeting. A supplemental budget greater than 10% of the fund’s original budget requires hearings before the public, publication in newspapers and approval by the Board. Original and supplemental budgets may be modified by the use of appropriation transfers between the levels of control (major function levels). Such transfers require approval by the Board. Budget amounts shown in the basic financial statements include the original budget amounts, plus appropriation transfers and appropriation increases. Appropriations lapse at the end of each fiscal year. Expenditures of the various funds were within authorized appropriations.

3. CASH AND INVESTMENTS

The District maintains an internal cash and investments pool that is available for use by all funds. Each fund's portion of the pool is displayed in the basic financial statements as "Cash and investments."

Cash and investments are comprised of the following as of June 30, 2019:

Local Government Investment Pool	$ 27,041,345
Demand deposits	1,836,637
Petty cash	545
Total cash and investments	$ 28,878,527

DEPOSITS

The book balance of the District's bank deposit account with Bank of the West was $2,401,777, of which $500,000 is covered by federal depository insurance. The book balance of the District's bank deposit account with In Roads Credit Union was $33,973, all of which is covered by federal depository insurance. Bank deposits are secured to legal limits by federal deposit insurance. The remaining amount is secured in accordance with ORS 295 under a collateral program administered by the Oregon State Treasurer.

CREDIT RISK - DEPOSITS

This is the risk that in the event of a bank failure, the District's deposits may not be returned. The Federal Depository Insurance Corporation (FDIC) provides insurance for the District's deposits with financial institutions for up to $250,000 each for the aggregate of all demand accounts and the aggregate of all time and savings deposits accounts at each institution. Deposits in excess of FDIC coverage are with institutions participating in the Oregon Public Funds Collateralization Program (PFCP).

The PFCP is a shared liability structure for participating bank depositories, better protecting public funds though still not guaranteeing that all funds are 100 percent protected. Barring any exceptions, a bank depository is required to pledge collateral valued at least 10 percent of their quarter-end public fund deposits if they are well capitalized, 25 percent of their quarter-end public fund deposits if they are adequately capitalized or 110 percent of their quarter-end public fund deposits if they are undercapitalized or assigned to pledge 110 percent by the Office of the State Treasurer. In the event of a bank failure, the entire pool of collateral pledged by all qualified Oregon public funds bank depositories is available to repay deposits of public funds of government entities. The District's bank balances with Bank of the West exceeded FDIC limits by $1,901,777, as of June 30, 2019, but were covered by PFCP. All of the District's bank balances with In Roads Credit Union were covered under FDIC.

INVESTMENTS

The policy is to follow state statutes governing cash management. Statutes authorize investing in banker's acceptances, time certificates of deposit, repurchase agreements, obligations of the United States and its agencies and instrumentalities, and the Oregon State Treasurer's Local Government Investment Pool.

Investments in the Local Government Investment Pool (LGIP) are included in the Oregon Short-Term Fund, which is an external investment pool that is not a 2a-7-like external investment pool, and is not registered with the U.S. Securities and Exchange Commission as an investment company. Fair value of the LGIP is calculated at the same value as the number of pool shares owned. The unit of account is each share held, and

3. CASH AND INVESTMENTS (CONTINUED)

INVESTMENTS (CONTINUED)

the value of the position would be the fair value of the pool's share price multiplied by the number of shares held. Investments in the Short-Term Fund are governed by ORS 294.135, Oregon Investment Council, and portfolio guidelines issued by the Oregon Short-Term Fund Board, which establish diversification percentages and specify the types and maturities of investments. The portfolio guidelines permit securities lending transactions as well as investments in repurchase agreements and reverse repurchase agreements. The fund's compliance with all portfolio guidelines can be found in their annual report when issued.

The LGIP seeks to exchange shares at $1.00 per share; an investment in the LGIP is neither insured nor guaranteed by the FDIC or any other government agency. Although the LGIP seeks to maintain the value of share investments at $1.00 per share, it is possible to lose money by investing in the pool. The District intends to measure these investments at book value since it approximates fair value. The pool is comprised of a variety of investments. These investments are characterized as a level 2 fair value measurement in the Oregon Short Term Fund's audited financial report. Amounts in the State Treasurer's Local Government Investment Pool are not required to be collateralized. The audited financial reports of the Oregon Short Term Fund can be found here:

http://www.oregon.gov/treasury/Divisions/Investment/Pages/Oregon-Short-Term-Fund-(OSTF).aspx

If the link has expired please contact the Oregon Short Term Fund directly.

Investments and maturities are as follows:

Investment Type	Fair Value	Less than 3 months	More than 3 months
State Treasurer's Investment Pool	$ 27,041,345	$ 27,041,345	$ -
Total	$ 27,041,345	$ 27,041,345	$ -

Interest Rate Risk

The District minimizes interest rate risk, which is the risk that the market value of securities in the portfolio will fall due to changes in market interest rates, by limiting their investments to U.S. Government Treasury securities and the LGIP in accordance with the District's investment policy.

Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of a failure of the counterparty to a transaction, the value of the investment will not be able to be recovered by collateral securities that are in the possession of an outside party. There is no formal investment policy for custodial credit risk.

Concentration Risk

At June 30, 2019, 100% of total investments were in the State Treasurer's Investment Pool. State statutes do not limit the percentage of investments in this instrument.

4. GRANTS RECEIVABLE

Special revenue fund grants receivable are comprised of claims for reimbursement of costs under various federal and state grant programs.

5. CAPITAL ASSETS

The changes in capital assets for the fiscal year ended June 30, 2019 are as follows:

	Governmental Capital Assets 7/1/2018	Additions	Deletions	Governmental Capital Assets 6/30/2019
Capital assets not being depreciated:				
Land	$ 2,365,823	$ -	$ -	$ 2,365,823
Construction in progress	7,922,321	29,743,986	8,119,619	29,546,688
Total capital assets not being depreciated	10,288,144	29,743,986	8,119,619	31,912,511
Capital assets being depreciated:				
Land improvements	2,604,452	-	-	2,604,452
Buildings & Improvements	37,406,320	8,245,159	3,981,203	41,670,276
Equipment	7,190,898	461,371	743,001	6,909,268
Vehicles	96,622	38,493	-	135,115
Total capital assets being depreciated	47,298,292	8,745,023	4,724,204	51,319,111
Less: Accumulated Depreciation				
Land improvements	1,549,564	141,871	-	1,691,435
Buildings & improvments	17,463,978	858,911	2,831,624	15,491,265
Equipment	6,425,495	151,883	733,735	5,843,643
Vehicles	96,622	2,395	-	99,017
Total accumulated depreciation	25,535,659	1,155,060	3,565,359	23,125,360
Total capital assets being depreciated, net	21,762,633			28,193,751
Total capital assets, net	$ 32,050,777			$ 60,106,262

Depreciation is allocated as a direct expense to the governmental programs as follows:

Instruction	$ 700,129
Support Services	415,285
Community Services	39,646
Total	$ 1,155,060

6. LONG-TERM OBLIGATIONS

The following is a summary of long-term obligations transactions during the year ended June 30, 2019:

	Original Issue	Outstanding 7/1/2018	Issued	Matured/ Redeemed During Year	Outstanding 6/30/2019	Due Within One Year
Governmental Activities:						
General Obligation Bonds						
Pension Bonds - Series 2002	$ 10,722,217	$ 7,713,435	$ -	$ 225,133	$ 7,488,302	$ 228,301
Pension Bonds - Series 2003	14,312,440	9,475,473	-	385,456	9,090,017	382,972
Pension Bonds - Series 2011	750,000	750,000	-	-	750,000	-
General Obligation Bonds - Series 2017	46,910,000	46,910,000	-	65,000	46,845,000	165,000
Direct Placements						
QZAB Bond - 2015	1,377,000	1,377,000	-	167,000	1,210,000	168,000
		66,225,908	-	842,589	65,383,319	944,273
Issuance Premium - Series 2017		6,512,093	-	271,337	6,240,756	271,337
Total Liabilities		$ 72,738,001	$ -	$ 1,113,926	$ 71,624,075	$ 1,215,610

General obligation bonds and tax-exempt financing agreements are direct obligations and pledge the full faith and credit of the District. The District issues general obligation bonds to provide funds for the acquisition and construction of District school facilities. The general obligation bonds will be paid from general property tax revenues from the Debt Service Fund.

Pension obligation bonds will be paid from revenues in the Debt Service Fund generated by charges to other funds.

In October 2002, St. Helens School District participated as one of forty-one Oregon school districts and education service districts in issuing limited tax pension bonds, the proceeds of which were used to finance a portion of the estimated unfunded actuarial liability of each participating school district in the Oregon Public Employees Retirement Systems (PERS). The Oregon School Boards Association (OSBA) sponsored this pooled limited tax pension bond program. OSBA does not have a financial obligation in connection with the bonds issued under the program. Except for the payment of its pension bond payments and additional charges when due, each participating school district has no obligation or liability to any other participating school district's pension bonds or liabilities to PERS. In April 2003, OSBA sponsored another pooled limited tax pension bond program with thirty school districts and education service districts. The District anticipates that the total costs of financing the District's actuarial obligation in this way will result in a significant savings to the District when compared to paying for such costs in additional contributions to PERS. These prepayments are contemplated in the actuarially determined net pension asset or liability as reported on the Statement of Net Position.

DIRECT BORROWINGS AND PLACEMENTS

QZAB Bond 2015: The District entered into this loan on April 22, 2015 for improvements to construction, rehabilitation or repair of school facilities. The loan is payable at a rate of 0.90%. The loan is secured by the full faith and credit of the District. The District's ad valorem property taxes, subject to the limitations of Sections 11

6. LONG-TERM OBLIGATIONS (CONTINUED)

DIRECT BORROWINGS AND PLACEMENTS (CONTINUED)

and 11b, Article XI of the Oregon Constitution, and the full faith and credit of the District, including all unobligated revenues in the District's general fund and any other funds which may be available for that purpose, shall be irrevocably pledged to the punctual payment of all principal and interest on the Agreement and the Note and amounts due upon prepayment and/or a Loss of QZAB Status and/or Change in Law Affecting QZAB Status on the Agreement or Note. Interest is payable on a semiannual schedule on each July and January 16th following issuance through the closing date of July 16, 2025.

BONDS

Pension Bond 2002: The District issued $10,722,217 Limited Tax Pension Obligations, Series 2002 (federally taxable), of which $2,747,217 are Series 2002A (deferred interest obligations) and $7,975,000 are Series 2002B (current interest obligations). The 2002 series Limited Tax Pension Obligations were issued on October 31, 2002, and are payable annually through June of 2028. Interest on the deferred interest bonds is accreted semiannually at yields ranging from 2.06 percent to 6.10 percent. Interest on the current coupon bonds is payable semiannually at rates ranging from 5.48 percent to 5.55 percent. The 2021 maturity were refunded in 2011 according to the early prepayment provisions of the bonds. The remaining bonds are federally taxable and are not subject to optional prepayment prior to their stated maturities. The Trustee may waive any Event of Default under a Pension Bond and its consequences, except a failure to pay principal, interest or premium, when due. If an Event of Default occurs and is continuing, the Trustee may exercise any remedy available at law or in equity; however, the Pension Bond Payments will not be subject to acceleration, and each Issuer is responsible solely for its Pension Bond Payments and any fees and other charges of the Trustee (" Additional Charges") reasonably allocated to it.

Pension Bond 2003: The District issued $14,312,440 Limited Tax Pension Obligations, Series 2003 (federally taxable), of which $6,742,440 are Series 2003A (deferred interest obligations) and $7,570,000 are Series 2003B (current interest obligations). The Series 2003 Limited Tax Pension Obligations were issued on April 30, 2003, and are payable annually through June of 2028. Interest on the deferred interest bonds is accreted semiannually at yields ranging from 1.50 percent to 6.27 percent. Interest on the current coupon bonds is payable semiannually at rates ranging from 5.63 percent to 5.68 percent. The bonds are federally taxable and are not subject to optional prepayment prior to their stated maturities. The Trustee may waive any Event of Default under a Pension Bond and its consequences, except a failure to pay principal, interest or premium, when due. If an Event of Default occurs and is continuing, the Trustee may exercise any remedy available at law or in equity; however, the Pension Bond Payments will not be subject to acceleration, and each Issuer is responsible solely for its Pension Bond Payments and any fees and other charges of the Trustee (" Additional Charges") reasonably allocated to it.

Pension Bond 2011: The District issued $750,000 Limited Tax Pension Obligations, Series 2011 (federally taxable) with a net interest cost of 4.12 percent to currently refund a portion of the outstanding 2002 series bonds (the 2021 maturity). The Series 2011 Limited Tax Pension Obligations were issued in August 2011 and are payable in full at maturity in June of 2021. The bonds are federally taxable and subject to optional prepayment prior to their stated maturities. The Trustee may waive any Event of Default under a Pension Bond and its consequences, except a failure to pay principal, interest or premium, when due. If an Event of Default occurs and is continuing, the Trustee may exercise any remedy available at law or in equity; however, the Pension Bond Payments will not be subject to acceleration, and each Issuer is responsible solely for its Pension Bond Payments and any fees and other charges of the Trustee (" Additional Charges") reasonably allocated to it.

6. LONG-TERM OBLIGATIONS (CONTINUED)

DIRECT BORROWINGS AND PLACEMENTS (CONTINUED)

General Obligation Bond 2017: In March 2017, the District issued General Obligation Bonds in the amount of $46.9 million with proceeds totaling $53.8 million. A portion of the bond proceeds (approximately $3 million) was transferred from the Capital Projects Fund to the Debt Service Fund and was used to make the initial debt service payments.

Future debt service requirements are as follows:

General Obligation Bonds By Fiscal Year:	Principal	Interest	Total
2019-20	$ 944,273	$ 4,305,684	$ 5,249,957
2020-21	1,570,654	3,944,832	5,515,486
2021-22	1,744,355	3,978,934	5,723,289
2022-23	1,961,036	3,997,918	5,958,954
2023-2028	17,763,001	13,132,816	30,895,817
2028-2033	7,865,000	9,652,250	17,517,250
2033-2038	13,110,000	7,194,750	20,304,750
2038-2043	20,425,000	3,121,000	23,546,000
	$ 65,383,319	$ 49,328,184	$ 114,711,503

7. INTER-FUND ACTIVITY

The District completed the following inter-fund transactions during the year ended June 30, 2019:

	Transfers In	Transfers Out	Due From	Due To
General Fund	$ -	$ 270,467	$ 236,126	$ -
Special Revenue Funds	220,467	-	-	236,126
Debt Service Fund	190,250	190,250	-	-
Capital Construction Fund	50,000	-	-	-
	$ 460,717	$ 460,717	$ 236,126	$ 236,126

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, and (2) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Inter-fund activities occasionally include inter-fund borrowings. The District typically loans resources between funds for the purpose of providing cash flow. These inter-fund receivables and payables are expected to be repaid within one year.

8. DEFINED BENEFIT PENSION PLAN

Plan Description – The Oregon Public Employees Retirement System (PERS) consists of a single cost-sharing multiple-employer defined benefit plan. All benefits of the system are established by the legislature pursuant to Oregon Revised Statute (ORS) Chapters 238 and 238A. Oregon PERS produces an independently audited Comprehensive Annual Financial Report which can be found at:

https://www.oregon.gov/pers/Documents/Financials/CAFR/2018-CAFR.pdf

If the link is expired please contact Oregon PERS for this information.

a. **PERS Pension (Chapter 238)**. The ORS Chapter 238 Defined Benefit Plan is closed to new members hired on or after August 29, 2003.

i. **Pension Benefits**. The PERS retirement allowance is payable monthly for life. It may be selected from 13 retirement benefit options. These options include survivorship benefits and lump-sum refunds. The basic benefit is based on years of service and final average salary. A percentage (2.0 percent for police and fire employees, and 1.67 percent for general service employees) is multiplied by the number of years of service and the final average salary. Benefits may also be calculated under either a formula plus annuity (for members who were contributing before August 21, 1981) or a money match computation if a greater benefit results. A member is considered vested and will be eligible at minimum retirement age for a service retirement allowance if he or she has had a contribution in each of five calendar years or has reached at least 50 years of age before ceasing employment with a participating employer (age 45 for police and fire members). General service employees may retire after reaching age 55. Police and fire members are eligible after reaching age 50. Tier 1 general service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service. Police and fire member benefits are reduced if retirement occurs prior to age 55 with fewer than 25 years of service. Tier 2 members are eligible for full benefits at age 60. The ORS Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003.

ii. **Death Benefits**. Upon the death of a non-retired member, the beneficiary receives a lump-sum refund of the member's account balance (accumulated contributions and interest). In addition, the beneficiary will receive a lump-sum payment from employer funds equal to the account balance, provided on or more of the following contributions are met:

- member was employed by PERS employer at the time of death,
- member died within 120 days after termination of PERS covered employment,
- member died as a result of injury sustained while employed in a PERS-covered job, or
- member was on an official leave of absence from a PERS-covered job at the time of death.

iii. **Disability Benefits**. A member with 10 or more years of creditable service who becomes disabled from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member (including PERS judge members) for disability benefits regardless of the length of PERS-covered service. Upon qualifying for either a non-duty or duty disability, service time is computed to age 58 (55 for police and fire members) when determining the monthly benefit.

iv. **Benefit Changes After Retirement**. Members may choose to continue participation in a variable equities investment account after retiring and may experience annual benefit fluctuations due to changes in the market value equity investments. Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes. The cap on the COLA will vary based on the amount of the annual benefit.

8. DEFINED BENEFIT PENSION PLAN (CONTINUED)

b. **OPSRP Pension Program (OPSRP DB)**. The ORS Chapter 238A Defined Benefit Pension Program provides benefits to members hired on or after August 29, 2003.

i. **Pension Benefits**. This portion of OPSRP provides a life pension funded by employer contributions. Benefits are calculated with the following formula for members who attain normal retirement age:

Police and fire: 1.8 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for police and fire members is age 60 or age 53 with 25 years of retirement credit. To be classified as a police and fire member, the individual must have been employed continuously as a police and fire member for at least five years immediately preceding retirement.

General service: 1.5 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for general service members is age 65, or age 58 with 30 years of retirement credit.

A member of the pension program becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, and, if the pension program is terminated, the date on which termination becomes effective.

ii. **Death Benefits**. Upon the death of a non-retired member, the spouse or other person who is constitutionally required to be treated in the same manner as the spouse, receives for life 50 percent of the pension that would otherwise have been paid to the deceased member.

iii. **Disability Benefits**. A member who has accrued 10 or more years of retirement credits before the member becomes disabled or a member who becomes disabled due to job-related injury shall receive a disability benefit of 45 percent of the member's salary determined as of the last full month of employment before the disability occurred.

Iv **Benefit Changes After Retirement**. Under ORS 238A.210 monthly benefits are adjusted annually through cost-of-living changes. The cap on the COLA will vary based on the amount of the annual benefit.

Contributions – PERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. The funding policy applies to the PERS Defined Benefit Plan and the Other Postemployment Benefit Plans. Employer contribution rates during the period were based on the December 31, 2015 actuarial valuation, which became effective July 1, 2017. The state of Oregon and certain schools, community colleges, and political subdivision have made unfunded actuarial liability payments and their rates have been reduced. Employer contributions for the year ended June 30, 2019 were $473,525, excluding amounts to fund employer specific liabilities. In addition approximately $989,374 in employee contributions were paid or picked up by the District in fiscal 2019. At June 30, 2019, the District reported a net pension liability of $15,807,758 for its proportionate share of the net pension liability. The pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation dated December 31, 2016. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. As of the measurement date of June 30, 2018 and 2017, the District's proportion was .10 percent and .09 percent, respectively. Pension expense for the year ended June 30, 2019 was $3,062,231.

8. DEFINED BENEFIT PENSION PLAN (CONTINUED)

The rates in effect for the year ended June 30, 2019 were:
(1) Tier 1/Tier 2 – 5.61%
(2) OPSRP general services – 0.43%

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	$ 537,733	$ -
Changes in assumptions	3,675,274	-
Net difference between projected and actual earnings on pension plan investments	-	701,954
Net changes in proportionate share	2,761,144	-
Differences between District contributions and proportionate share of contributions	88,797	1,857,287
Subtotal - Amortized Deferrals (below)	7,062,948	2,559,241
District contributions subsequent to measuring date	473,525	-
Deferred outflow (inflow) of resources	$ 7,536,473	$ 2,559,241

T
he amount of contributions subsequent to the measurement date will be included as a reduction of the net pension liability in the fiscal year ended June 30, 2020.

Amounts reported as deferred outflows or inflow of resources related to pension will be recognized in pension expense as follows:

Year ending June 30,	Amount
2020	$ 2,431,325
2021	1,779,607
2022	(6,362)
2023	207,994
2024	91,143
Thereafter	-
Total	$ 4,503,707

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS system-wide GASB No. 68 reporting summary dated March 4, 2019. Oregon PERS produces an independently audited CAFR which can be found at:

https://www.oregon.gov/pers/Documents/Financials/CAFR/2018-CAFR.pdf

If the link is expired please contact Oregon PERS for this information.

Actuarial Valuations – The employer contribution rates effective July 1, 2017 through June 30, 2019, were set using the entry age normal actuarial cost method. For the Tier 1/Tier 2 component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (1) an amount for normal cost (estimated amount necessary to finance benefits earned by employees during the current service year), (2) an amount for the amortization unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial liabilities being amortized over 20 years.

8. DEFINED BENEFIT PENSION PLAN (CONTINUED)

For the OPSRP Pension Program component of the PERS Defined Benefit Plan, this method produced an employer rate consisting of (a) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), (b) an actuarially determined amount for funding a disability benefit component, and (c) an amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial accrued liabilities being amortized over 16 years.

Actuarial Methods and Assumptions:

Valuation Date	December 31, 2016 rolled forward to June 30, 2018
Experience Study Report	2016, Published July 26, 2017
Actuarial cost method	Entry Age Normal
Amortization method	Amortized as a level percentage of payroll as layered amortization bases over a closed period; Tier One/Tier Two UAL is amortized over 20 years and OPSRP pension UAL is amortized over 16 years
Asset valuation method	Market value of assets
Inflation rate	2.50 percent
Investment rate of return	7.20 percent
Projected salary increase	3.50 percent overall payroll growth
Cost of Living Adjustment	Blend of 2% COLA and graded COLA (1.25%/.15%) in accordance with Moro decision, blend based on service.
Mortality	Healthy retirees and beneficiaries: RP-2014 Healthy annuitant, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation. Active members: RP-2014 Employees, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation. Disabled retirees: RP-2014 Disabled retirees, sex-distinct, generational with Unisex, Social Security Data Scale.

Actuarial valuations of an ongoing plan involve estimates of value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The method and assumptions shown are based on the 2016 Experience Study which is reviewed for the four-year period ending December 31, 2016.

8. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Assumed Asset Allocation:

Asset Class/Strategy	Low Range	High Range	OIC Target
Cash	0.0%	3.0%	0.0%
Debt Securities	15.0%	25.0%	20.0%
Public Equity	32.5%	42.5%	37.5%
Real Estate	9.5%	15.5%	12.5%
Private Equity	13.5%	21.5%	17.5%
Alternative Investments	0.0%	12.5%	12.5%
Opportunity Portfolio	0.0%	3.0%	0.0%
Total			100.0%

(Source: June 30, 2018 PERS CAFR; p. 98)

Long-Term Expected Rate of Return:
To develop an analytical basis for the selection of the long-term expected rate of return assumption, in July 2015, revised as of June 7, 2017, the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. The table below shows Milliman's assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

Asset Class	Target Allocation	Compound Annual (Geometric) Return
Core Fixed Income	8.00%	3.49%
Short-Term Bonds	8.00%	3.38%
Bank/Leveraged Loans	3.00%	5.09%
High Yield Bonds	1.00%	6.45%
Large/Mid Cap US Equities	15.75%	6.30%
Small Cap US Equities	1.31%	6.69%
Micro Cap US Equities	1.31%	6.80%
Developed Foreign Equities	13.13%	6.71%
Emerging Market Equities	4.13%	7.45%
Non-US Small Cap Equities	1.88%	7.01%
Private Equity	17.50%	7.82%
Real Estate (Property)	10.00%	5.51%
Real Estate (REITS)	2.50%	6.37%
Hedge Fund of Funds - Diversified	2.50%	4.09%
Hedge Fund - Event-driven	0.63%	5.86%
Timber	1.88%	5.62%
Farmland	1.88%	6.15%
Infrastructure	3.75%	6.60%
Commodities	1.88%	3.84%
Assumed Inflation - Mean		*2.50%*

(Source: June 30, 2018 PERS CAFR; p. 72)

8. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Discount Rate – The discount rate used to measure the total pension liability as of the measurement date of June 30, 2018 and 2017, was 7.20 percent and 7.50 percent, respectively, for the Defined Benefit Pension Plan. The projection of cash flows used to determine the discount rate assumed that contributions from the plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Defined Benefit Pension Plan was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.20 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.20 percent) or 1-perentage-point higher (8.20 percent) than the current rate.

	1% Decrease (6.20%)	Discount Rate (7.20%)	1% Increase (8.20%)
District's proportionate share of the net pension liability	$ 26,417,750	$ 15,807,758	$ 7,050,078

Changes Subsequent to the Measurement Date

As described above, GASB No. 67 and GASB No. 68 require the Total Pension Liability to be determined based on the benefit terms in effect at the Measurement Date. Any changes to benefit terms that occurs after that date are reflected in amounts reported for the subsequent Measurement Date. However, Paragraph 80f of GASB No. 68 requires employers to briefly describe any changes between the Measurement Date and the employer's reporting date that are expected to have a significant effect on the employer's share of the collective Net Pension Liability, along with an estimate of the resulting change, if available.

There are no changes subsequent to the June 30, 2018 Measurement Date that meet this requirement and thus would require a brief description under the GASB standard.

Deferred Compensation Plan

A deferred compensation plan is available to employees wherein they may execute an individual agreement with the District for amounts earned by them to not be paid until a future date when certain circumstances are met. These circumstances are: termination by reason of death, disability, resignation, or retirement. Payment to the employee will be made over a period not to exceed 15 years. The deferred compensation plan is one which is authorized under IRC Section 457 and has been approved in its specifics by a private ruling from the Internal Revenue Service. The assets of the plan are held by the administrator for the sole benefit of the plan participants and are not considered assets or liabilities of the District.

8. DEFINED BENEFIT PENSION PLAN (CONTINUED)

OPSRP Individual Account Program (OPSRP IAP)

Plan Description:
Employees of the District are provided with pensions through PERS. All the benefits of PERS are established by the Oregon legislature pursuant to Oregon Revised Statute (ORS) Chapters 238 and 238A. Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003. Chapter 238A created the Oregon Public Service Retirement Plan (OPSRP), which consists of the Defined Benefit Pension Program and the Individual Account Program (IAP). Membership includes public employees hired on or after August 29, 2003. PERS members retain their existing defined benefit plan accounts, but member contributions are deposited into the member's IAP account. OPSRP is part of PERS, and is administered by the PERS Board.

Pension Benefits:
Participants in PERS defined benefit pension plans also participate in their defined contribution plan. An IAP member becomes vested on the date the employee account is established or on the date the rollover account was established. If the employer makes optional employer contributions for a member, the member becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, the date the IAP is terminated, the date the active member becomes disabled, or the date the active member dies. Upon retirement, a member of the OPSRP IAP may receive the amounts in his or her employee account, rollover account, and vested employer account as a lump-sum payment or in equal installments over a 5-, 10-, 15-, 20-year period or an anticipated life span option. Each distribution option has a $200 minimum distribution limit.

Death Benefits:
Upon the death of a non-retired member, the beneficiary receives in a lump sum the member's account balance, rollover account balance, and vested employer optional contribution account balance. If a retired member dies before the installment payments are completed, the beneficiary may receive the remaining installment payments or choose a lump-sum payment.

Contributions:
Employees of the District pay six (6) percent of their covered payroll. The District did not make any optional contributions to member IAP accounts for the year ended June 30, 2019.

Additional disclosures related to Oregon PERS not applicable to specific employers are available online, or by contacting PERS at the following address: PO Box 23700 Tigard, OR 97281-3700.

http://www.oregon.gov/pers/EMP/Pages/GASB.aspx

If the link is expired please contact Oregon PERS for this information.

9. SINGLE EMPLOYER PENSION PLAN (GASB NO. 73)

Description
The District maintains a single-employer early retirement supplement plan for teachers or administrators who retire with 15 years of regular service to the District. The program provides a stipend that, depending on age and years of service at retirement, ranges from $250 to $450 per month for a full-time employee until age 65, when the employee becomes eligible for Medicare. This pension-type benefit is required to be valued under GASB No. 73. The District does not issue a standalone report for this plan.

Funding Policy
The District provides payments in accordance with current contracts on a pay-as-you-go basis. At June 30, 2019, the District was providing early retirement benefits to 52 former teachers or administrators.

Total Pension Liability for Stipends
The District's total pension liability of $67,235 was measured as of June 30, 2019, and was determined by an actuarial valuation as of that date using the Entry Age Normal Level Percent of Pay Cost Method.

Actuarial assumptions and other inputs
The total pension liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation rate	2.50%
Salary increases, average, including inflation	3.50%
Discount rate	3.90%

- The discount rate is based on a yield for 20-year tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The index used is the Bond Buyer 20-Year GO Municipal Bond Index.
- Employer funding policy is on a pay-as-you-go cash basis.
- Mortality, retirement, and withdrawal rates were generally the same rates as used in the December 31, 2016 PERS actuarial valuation.
- The actuarial assumptions used in the June 30, 2018 valuation were based on experience for the period July 1, 2016 to June 30, 2017.

Changes in the Total Pension Liability for Stipends:

Total Pension Liability	2019	2018
Beginning of year, July 1	$ 80,463	$ 102,021
Benefit payments	(16,543)	(14,953)
Service cost	500	483
Interest on total pension liability	2,815	3,687
Change in assumptions		(12,147)
Experience (gain)/loss	-	1,372
End of year, June 30	$ 67,235	$ 80,463

9. SINGLE EMPLOYER PENSION PLAN (GASB NO.73) (CONTINUED)

The 3.9 percent discount rate assumption is the May 30, 2018 rate in the 20-Year General Obligation Municipal Bond Index published by Bond Buyer. This is the most recent rate published by Bond Buyer when the calculations were performed. This rate was increased from 3.0 percent in the 2015 valuation to reflect the requirements of GASB No. 73.

Sensitivity of the Total Pension Liability to Changes in the Discount Rate –

The following presents the total pension liability of the District, as well as what the District's total pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.90 percent) or 1-percentage-point higher (4.90 percent) than the current discount rate:

	1% Decrease (2.90%)	Discount Rate (3.90%)	1% Increase (4.90%)
Total pension liability	$ 68,983	$ 67,235	$ 65,527

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Stipends

For the year ended June 30, 2019, the District recognized stipend pension expense of $821. At June 30, 2019, the District reported deferred outflows of resources and deferred inflows of resources related to stipends from the following sources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Changes in assumptions (gain)/loss	$ -	$ (6,523)
Experience (gain)/loss	736	-
Total	$ 736	$ (6,523)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to stipends will be recognized in pension expense as follows:

Year ending June 30,	Amount
2020	$ (2,494)
2021	(2,494)
2022	(799)
2023	-
2024	-
All Subsequent Years	-
Total	$ (5,787)

10. OTHER POST-EMPLOYMENT BENEFITS (GASB NO. 75)

The District offers a postemployment health insurance subsidy and contributes to a retirement health insurance account through Oregon Public Employees Retirement System. The breakdown of the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB are:

	Medical Subsidy	RHIA	Net
Total OPEB liability	$ 1,595,581	$ -	$ 1,595,581
Net OPEB asset	-	167,825	167,825
OPEB deferred outflows of resources	36,428	77,590	114,018
OPEB deferred inflows of resources	-	46,327	46,327

Post-Employment Healthcare Benefits (Medical Subsidy)

The Post-Employment Healthcare Benefits (Medical Subsidy) for the District combines two separate plans. The District provides an implicit rate subsidy for retiree health insurance premiums, and a contribution toward eligible participants' medical premiums.

Financial Statement Presentation

The District's two Medical Subsidy plans are presented in the aggregate on the Statement of Net Position. The amounts on the financial statements related to the plans are as follows:

	Explicit Medical Subsidy	Implicit Medical Subsidy	Total Medical Subsidy
Deferred outflow of resources	$ 36,428	$ -	$ 36,428
Total OPEB liability	516,199	1,079,382	1,595,581
OPEB expense (Included on the Statement of Activities)	90,088	89,931	97,552

Plan Description – Explicit Subsidy – The District maintains a single-employer early retirement supplement program for its employees. This program covers full-time certified, confidential, classified and administrative personnel of the District hired prior to the date on which the program closed to new enrollees. The District does not issue a standalone report for this plan.

These programs have generally been established under separate collective bargaining agreements and provide provisions for early retirement after 17 years regular service and 30 years of participation in Oregon PERS (if under age 58). This optional early retirement program provides the employee with the following:

- For eligible certified employees a monthly payment toward group medical, dental and vision insurance of $400 is provided until retiree qualifies for Medicare.
- For eligible classified employees a monthly payment toward group medical, dental and vision insurance of $250 is provided until retiree qualifies for Medicare.
- For eligible administrators a monthly payment toward group medical, dental and vision insurance of $450 is provided until retiree qualifies for Medicare.

10. OTHER POST-EMPLOYMENT BENEFITS (GASB NO. 75) (CONTINUED)

Plan Description – Implicit Subsidy – The District operates a single-employer defined benefit plan that provides postemployment health, dental, vision and life insurance benefits to eligible employees and their spouses. Benefits and eligibility for members are established through the collective bargaining agreements and Oregon State law. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB No. 75. The District's post-retirement healthcare plan was established in accordance with Oregon Revised Statutes (ORS) 243.303. ORS stipulate that for the purpose of establishing healthcare premiums, the rate must be based on all plan members, including both active employees and retirees.

Eligible retirees and their dependents under age 65 are allowed to continue to enroll in the same healthcare coverage as offered to active employees. The retiree's coverage selection is available only upon retirement although coverage can continue until the retiree's age 65. The spouse's coverage is available until the spouse's age 65 but also must be selected at the time of retirement. Following the retiree's death or attainment of age 65, the retiree's spouse can continue full coverage until the spouse's age 65. The retiree or surviving spouse is responsible for paying the full premium at the applicable tier. The difference between retiree claims costs, which because of the effect of age is generally higher in comparison to all plan members, and the amount of retiree healthcare premiums represents the District's implicit employer subsidy. Eligibility is determined by:

- For certified members, the employee must retire with an immediate service benefit under OPERS, or be eligible for a benefit under the District's Long Term Disability program.

- For administrators and classified members, the employee must retire with an immediate service or disability retirement benefit under the Oregon Public Employees Retirement System (OPERS).

As of the valuation date of June 30, 2018, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries receiving benefits	52
Active employees	253
	305

Total OPEB Liability for Medical Subsidy

The District's total OPEB liability for Medical Subsidy of $1,595,581 was measured as of June 30, 2019, and was determined by an actuarial valuation as of that date using the Entry Age Normal Level Percent of Pay Cost Method.

10. OTHER POST-EMPLOYMENT BENEFITS (GASB NO. 75) (CONTINUED)

Actuarial Assumptions and Other Inputs

The total OPEB liability in the June 30, 2018 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Valuation Date	30-Jun-18
Measurement Date	June 30,2018
Experience	2016-2017 actual experience
Actual Cost Method	Entry Age Normal
Actuarial Assumptions	
Inflation rate	2.50 percent
Discount Rate	3.90 percent
Projected salary increase	3.50 percent overall payroll growth
Cost of Living Adjustment	Blend of 2.00% COLA and graded COLA (1.25%/0.15%) in accordance with Moro decision; blend based on service.
Mortality	**Healthy retirees and beneficiaries:** RP-2000 Sex-distinct, generational per Scale BB, with collar adjustments and set-backs as described in the valuation. **Active members:** Mortality rates are a percentage of healthy retiree rates that vary by group, as described in the valuation. **Disabled retirees:** Mortality rates are a percentage (70% for males, 95% for females) of the RP-2000 Six-distinct, generational per Scale BB, disabled mortality table.

Discount Rate - Under GASB No. 75, unfunded plans must use a discount rate that reflects a 20-year tax-exempt municipal bond yield or index rate. The discount rate in effect for the June 30, 2018 reporting date is 3.50 percent, reflecting the Bond Buyer 20-Year General Obligation Bond Index.

Healthcare Cost Trend – The actuarial calculations used an assumption that medical costs will increase 5.90 percent in the first year, 5.80 percent in the second year, 6.10 percent in the third year, and varying from 6.50 percent to 4.30 percent over the remainder of the projection period. These trends are based on a model circulated by the Society of Actuaries that considers current trends in health care costs, the potential impacts of certain well-defined aspects of the Affordable Care Act, and long-term constraints on trend such as growth in per capita income. It also assumes that dental costs will increase by 4.80 percent in the first year and 4.00 percent in each future year. First year medical and dental trends were based on actual changes to July 1, 2018 premiums compared with July 1, 2017 premiums.

10. OTHER POST-EMPLOYMENT BENEFITS (GASB NO.75) (CONTINUED)

Changes in the Total OPEB Liability for Medical Subsidy

	Explicit Subsidy	Implicit Subsidy	Total OPEB Liability for Medical Subsidy
Balance at July 1, 2017	$ 664,514	$ 1,257,242	1,921,756
Changes for the year:			
Service cost	4,016	24,106	28,122
Interest on total OPEB liability	23,360	45,952	69,312
Effect of changes to benefit terms	-	-	-
Effect of assumptions changes or inputs	45,470	-	45,470
Benefit payments	(131,073)	(157,987)	(289,060)
Net changes	(58,227)	(87,929)	- (146,156)
Balance at June 30, 2018	$ 606,287	$ 1,169,313	$ 1,775,600

	Explicit Subsidy	Implicit Subsidy	Total OPEB Liability for Medical Subsidy
Balance at July 1, 2018	$ 606,287	$ 1,169,313	1,775,600
Changes for the year:			
Service cost	4,157	24,950	29,107
Interest on total OPEB liability	21,390	42,534	63,924
Effect of changes to benefit terms	-	-	-
Effect of assumptions changes or inputs	-	-	-
Benefit payments	(115,635)	(157,415)	(273,050)
Net changes	(90,088)	(89,931)	- (180,019)
Balance at June 30, 2019	$ 516,199	$ 1,079,382	$ 1,595,581

The 3.9 percent discount rate assumption is the May 30, 2018 rate in the 20-Year General Obligation Municipal Bond Index published by Bond Buyer. This is the most recent rate published by Bond Buyer when the calculations were performed. This rate was increased from 3.0 percent in the 2015 valuation to reflect the requirements of GASB No. 75.

10. OTHER POST-EMPLOYMENT BENEFITS (GASB NO. 75) (CONTINUED)

Sensitivity of the Total OPEB Liability for Medical Subsidy to Changes in the Discount Rate

The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.90 percent) or 1-percentage-point higher (4.90 percent) than the current discount rate:

	1% Decrease (2.90%)	Discount Rate (3.90%)	1% Increase (4.90%)
Total OPEB liability at June 30, 2019	$ 1,663,171	$ 1,595,581	$ 1,531,281

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Medical Subsidy

For the year ended June 30, 2019, the District recognized OPEB expense of $97,552. At June 30, 2019, the District reported deferred outflows of resources and deferred inflows of resources related to the medical benefits plan from the following sources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	$ 25,246	$ -
Changes of assumptions and other inputs	11,182	-
Total deferred outflow (inflow) of resources	$ 36,428	$ -
Net deferred outflow (inflow) of resources, amortized below		$ 36,428

Amounts reported as deferred outflows of resources and deferred inflows of resources related to medical benefits will be recognized in OPEB expense as follows:

Year ending June 30,	Amount
2020	$ 4,521
2021	4,521
2022	4,521
2023	4,521
2024	4,521
All Subsequent Years	13,823
Total	$ 36,428

10. OTHER POST-EMPLOYMENT BENEFITS (GASB NO. 75) (CONTINUED)

Retirement Health Insurance Account (RHIA)

Plan Description:
As a member of Oregon Public Employees Retirement System (OPERS) the District contributes to the Retirement Health Insurance Account (RHIA) for each of its eligible employees. RHIA is a cost-sharing multiple-employer defined benefit other postemployment benefit plan administered by OPERS. RHIA pays a monthly contribution toward the cost of Medicare companion health insurance premiums of eligible retirees. Oregon Revised Statute (ORS) 238.420 established this trust fund. Authority to establish and amend the benefit provisions of RHIA reside with the Oregon Legislature. The plan is closed to new entrants after January 1, 2004. OPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to Oregon Public Employees Retirement System, PO Box 23700, Tigard, OR 97281-3700.

Funding Policy:
Because RHIA was created by enabling legislation (ORS 238.420), contribution requirements of the plan members and the participating employers were established and may be amended only by the Oregon Legislature. ORS require that an amount equal to $60 dollars or the total monthly cost of Medicare companion health insurance premiums coverage, whichever is less, shall be paid from the Retirement Health Insurance Account established by the employer, and any monthly cost in excess of $60 dollars shall be paid by the eligible retired member in the manner provided in ORS 238.410. To be eligible to receive this monthly payment toward the premium cost the member must: (1) have eight years or more of qualifying service in OPERS at the time of retirement or receive a disability allowance as if the member had eight years or more of creditable service in OPERS, (2) receive both Medicare Parts A and B coverage, and (3) enroll in an OPERS-sponsored health plan.

A surviving spouse or dependent of a deceased OPERS retiree who was eligible to receive the subsidy is eligible to receive the subsidy if he or she (1) is receiving a retirement benefit or allowance from OPERS or (2) was insured at the time the member died and the member retired before May 1, 1991.

Participating Districts are contractually required to contribute to RHIA at a rate assessed each year by PERS, and the District currently contributes 0.53% of annual covered OPERF payroll and 0.45% of OPSRP payroll under a contractual requirement in effect until June 30, 2019. The PERS Board of Trustees sets the employer contribution rates based on the annual required contribution of the employers (ARC), an amount actuarially determined in accordance with the parameters of GASB No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed thirty years. The District's contributions to RHIA for the years ended June 30, 2017, 2018 and 2019 were $87,321, $72,797 and $77,289, respectively, which equaled the required contributions each year.

At June 30, 2019, the District reported a net OPEB liability/(asset) of $(167,825) for its proportionate share of the net OPEB liability/(asset). The OPEB liability/(asset) was measured as of June 30, 2018, and the total OPEB liability/(asset) used to calculate the net OPEB liability/(asset) was determined by an actuarial valuation as of December 31, 2016. Consistent with GASB No.75, paragraph 59(a), The District's proportion of the net OPEB liability/(asset) is determined by comparing the employer's actual, legally required contributions made during the fiscal year to the Plan with the total actual contributions made in the fiscal year of all employers.

10. OTHER POST-EMPLOYMENT BENEFITS (GASB NO. 75) (CONTINUED)

Funding Policy: (CONTINUED)

As of the measurement date of June 30, 2018 and 2017, the District's proportion was .15 percent and .15 percent, respectively. OPEB expense (income) for the year ended June 30, 2019 was $(97,510).

Components of OPEB Expense/(Income):

Employer's proportionate share of collective system OPEB Expense/(Income)	$ (15,752)
Net amortization of employer-specific deferred amounts from:	
Changes in proportionate share (per paragraph 64 of GASB 75)	(104)
Differences between employer contributions and employer's proportionate share of system contributions (per paragraph 65 of GASB 75)	-
Employer's Total OPEB Expense/(Income)	$ (15,856)

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	$ -	$ 9,511
Changes in assumptions	-	532
Net difference between projected and actual earnings on pension plan investments	-	36,183
Net changes in proportionate share	301	401
Differences between District contributions and proportionate share of contributions	-	-
Subtotal - Amortized Deferrals (below)	301	46,627
District contributions subsequent to measuring date	77,289	-
Deferred outflow (inflow) of resources	$ 77,590	$ 46,627

Components of Deferred Outflows/Inflows of Resources:

The amount of contributions subsequent to the measurement date will be included as a reduction of the net OPEB liability/(asset) in the fiscal year ended June 30, 2020.

Amounts reported as deferred outflows or inflow of resources related to OPEB will be recognized in OPEB expense as follows:

10. OTHER POST-EMPLOYMENT BENEFITS (GASB NO. 75) (CONTINUED)

Year ending June 30,	Amount
2020	$ (15,333)
2021	(15,264)
2022	(12,133)
2023	(3,597)
2024	
Thereafter	-
Total	$ (46,327)

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS Retirement Health Insurance Account Cost-Sharing Multiple-Employer Other Postemployment Benefit (OPEB) Plan Schedules of Employer Allocations and OPEB Amounts by Employer report, as of and for the Year Ended June 30, 2018. That independently audited report was dated March 1, 2019 and can be found at:

https://www.oregon.gov/pers/EMP/Documents/GASB/2019/GASB-75-RHIA-YE-06-30-2018.pdf

If the link is expired please contact Oregon PERS for this information.

Valuation Date	December 31, 2016 rolled forward to June 30, 2018
Experience Study Report	2016, Published July 26, 2017
Actuarial cost method	Entry Age Normal
Inflation rate	2.50 percent
Investment rate of return	7.20 percent
Discount rate	7.20 percent
Projected salary increase	3.50 percent overall payroll growth
Retiree healthcare participation	Healthy retirees: 38%; Disabled retirees: 20%
Mortality	Healthy retirees and beneficiaries: RP-2000 Sex-distinct, generational per Scale BB, with collar adjustments and set-backs as described in the valuation. Active members: Mortality rates are a percentage of healthy retiree rates that vary by group, as described in the valuation. Disabled retirees: Mortality rates are a percentage (70% for males and 95% for females) of the RP-2000 sex-distinct, generational per scale BB, disabled mortality table.

Actuarial Methods and Assumptions:
Actuarial valuations of an ongoing plan involve estimates of value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The method and assumptions shown are based on the 2016 Experience Study which is reviewed for the four-year period ending December 31, 2016.

10. OTHER POST-EMPLOYMENT BENEFITS (GASB NO. 75) (CONTINUED)

Discount Rate:
The discount rate used to measure the total OPEB liability as of the measurement date of June 30, 2018 and 2017, was 7.20 percent and 7.50 percent, respectively. The projection of cash flows used to determine the discount rate assumed that contributions from contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the RHIA plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments for the RHIA plan was applied to all periods of projected benefit payments to determine the total OPEB liability.

Long-Term Expected Rate of Return:
To develop an analytical basis for the selection of the long-term expected rate of return assumption, in July 2015, revised as of June 7, 2017, the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. The table below shows Milliman's assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

Asset Class	Target Allocation	Compound Annual (Geometric) Return
Core Fixed Income	8.00%	3.49%
Short-Term Bonds	8.00%	3.38%
Bank/Leveraged Loans	3.00%	5.09%
High Yield Bonds	1.00%	6.45%
Large/Mid Cap US Equities	15.75%	6.30%
Small Cap US Equities	1.31%	6.69%
Micro Cap US Equities	1.31%	6.80%
Developed Foreign Equities	13.13%	6.71%
Emerging Market Equities	4.13%	7.45%
Non-US Small Cap Equities	1.88%	7.01%
Private Equity	17.50%	7.82%
Real Estate (Property)	10.00%	5.51%
Real Estate (REITS)	2.50%	6.37%
Hedge Fund of Funds - Diversified	2.50%	4.09%
Hedge Fund - Event-driven	0.63%	5.86%
Timber	1.88%	5.62%
Farmland	1.88%	6.15%
Infrastructure	3.75%	6.60%
Commodities	1.88%	3.84%
Assumed Inflation - Mean		*2.50%*

(Source: June 30, 2018 PERS CAFR; p. 72)

10. OTHER POST-EMPLOYMENT BENEFITS (GASB NO. 75) (CONTINUED)

Sensitivity of the District's Proportionate Share of the Net OPEB Liability/(Asset) to Changes in the Discount Rate

The following presents the District's proportionate share of the net OPEB liability/(asset) calculated using the discount rate of 7.20 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.20 percent) or 1-perentage-point higher (8.20 percent) than the current rate.

	1% Decrease (6.20%)	Discount Rate (7.20%)	1% Increase (8.20%)
District's proportionate share of the net pension liability	$ (97,716)	$ (167,825)	$ (227,502)

Changes Subsequent to the Measurement Date

There are no changes subsequent to the June 30, 2018 Measurement Date that meet this requirement and thus would require a brief description under the GASB standard.

11. DEFERRED COMPENSATION

The District has made available to its employees a deferred compensation plan under Internal Revenue Code 403(b) where they may defer amounts earned until either termination by reason of death, resignation, disability, or retirement. This plan also has a Roth provision allowing for these deferrals to be currently taxed so that the distributions of the contributions and earnings thereon will be tax exempt. These deposits are not subject to the collateral requirements of Oregon law and are excluded from resources for budgetary purposes. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. All amounts deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are held in trust for the exclusive benefit of the participants and their beneficiaries.

12. RISK MANAGEMENT

The District purchases commercial insurance to cover all commonly insurable risks, including property, liability, vehicles, fidelity bond, worker's compensation and unemployment. All policies carry a small deductible amount. No insurance claims settled in each of the prior three years have exceeded policy coverage.

13. COMMITMENTS AND CONTINGENCIES

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal and state governments. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amounts, if any, or expenditures which may be disallowed by the grantor agencies cannot be determined at this time although the District expects such amounts, if any, to be immaterial.

13. COMMITMENTS AND CONTINGENCIES (CONTINUED)

There are no uninsured contingent liabilities that require disclosure or recognition in accordance with Accounting Standards Codification (ASC) 450-20. Such contingent liabilities would include, but would not be confined to: notes or accounts receivable which have been discounted; pending suits; proceedings, hearings, or negotiations possibly involving retroactive adjustments; unsatisfied judgments or claims; taxes in dispute; endorsements or guarantees; and options.

The District is committed under various accepted bid agreements and contracts for approximately $12,444,692 for goods, services, and construction of facilities as of June 30, 2019.

14. TAX ABATEMENTS

As of June 30, 2019, St. Helens School District potentially had tax abatements through one program in Columbia County: Enterprise Zone, that impacted their levied taxes.

Enterprise Zone (ORS 285C.175):

The Oregon Enterprise Zone program is a State of Oregon economic development program established, that allows for property tax exemptions for up to five years. In exchange for receiving property tax exemption, participating firms are required to meet the program requirements set by state statute and the local sponsor.

The Enterprise Zone program allows industrial firms that will be making a substantial new capital investment a waiver of 100% of the amount of real property taxes attributable to the new investment for a 5-year period after completion. Land or existing machinery or equipment is not tax exempt; therefore, there is no loss of current property tax levies to local taxing jurisdiction.

For the fiscal year ended June 30, 2019, the St. Helens School District abated property taxes totaling $254,565 under these programs.

Tax Abatement Program	Amount of Taxes Abated during the Fiscal Year
Enterprise Zone	$254,565
	$254,565

15. FUND BALANCE CONSTRAINTS

The specific purposes for each of the categories of fund balance as of June 30, 2019 are as follows:

Fund Balances:	General Fund	Special Revenue Funds	Debt Service Funds	Capital Projects Fund	Total
Nonspendable:					
Inventory	$ -	$ 6,387	$ -	$ -	$ 6,387
Prepaid Expenses	37,174	13,793	-	-	50,967
			-	-	
Restricted:					
Facility Improvements	-	-	-	18,123,359	18,123,359
Debt Service	-	-	267,253	-	267,253
Committed to:					
Special Revenue	-	515,154	-	-	515,154
Debt Service	-	-	57,989	-	57,989
Unassigned	5,598,034	-	-	-	5,598,034
Total Fund Balances	$ 5,635,208	$ 535,334	$ 325,242	$ 18,123,359	$ 24,619,143

ST. HELENS SCHOOL DISTRICT

COLUMBIA COUNTY, OREGON

REQUIRED SUPPLEMENTARY INFORMATION

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ST. HELENS SCHOOL DISTRICT
COLUMBIA COUNTY, OREGON

REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2019

SCHEDULE OF THE PROPORTIONATE SHARE OF NET PENSION LIABILITY

Year Ended June 30	(a) Employer's proportion of the net pension liability (NPL)	(b) Employer's proportionate share of the net pension liability (NPL)	(c) District's covered payroll	(b/c) NPL as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2019	0.10 %	$ 15,807,758	$ 15,650,307	101.0 %	82.1 %
2018	0.09	12,517,377	15,374,390	81.4	83.1
2017	0.08	11,541,722	14,581,783	79.2	80.5
2016	0.04	2,521,377	14,322,035	17.6	91.9
2015	0.04	(864,050)	13,539,070	(6.4)	103.6
2014	0.04	1,945,270	13,015,058	14.9	92.0

The amounts presented for each fiscal year were actuarially determined at 12/31 and rolled forward to the measurement date.

These schedules are presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

SCHEDULE OF CONTRIBUTIONS

Year Ended June 30	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	Employer's covered payroll	Contributions as a percent of covered payroll
2019	$ 473,525	$ 473,525	$ -	$ 17,481,623	2.7 %
2018	230,101	230,101	-	15,650,307	1.5
2017	76,283	76,283	-	15,374,390	0.5
2016	72,907	72,907	-	14,581,783	0.5
2015	808,939	808,939	-	14,322,035	5.6
2014	769,729	769,729	-	13,539,070	5.7

The amounts presented for each fiscal year were actuarially determined at 12/31 and rolled forward to the measurement date.

These schedules are presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

SCHEDULE OF CHANGES IN THE TOTAL PENSION LIABILITY FOR STIPENDS

Year Ended June 30,	Service costs	Interest on total pension liability	Difference between expected and actual results	Changes of assumptions or other inputs	Benefit payments	Net changes in total pension liability
2019	$ 500	$ 2,815	$ 736	$ (6,523)	$ (16,543)	$ (13,228)
2018	483	3,687	1,372	(12,147)	(14,953)	(21,558)

The amounts presented for each fiscal year were actuarially determined at 12/31 and rolled forward to the measurement date.

These schedules are presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

SCHEDULE OF TOTAL PENSION LIABILITY AND RELATED RATIOS FOR STIPENDS

Year Ended June 30,	Total pension liability beginning	Net change in total pension liability	Total pension liability ending	Employer's covered payroll	Total pension liability as percentage of covered payroll	Discount rate
2019	80,463	(13,228)	67,235	1,186,045	5.70 %	3.90 %
2018	102,021	(21,558)	80,463	1,145,937	7.02	3.90

The amounts presented for each fiscal year were actuarially determined at 12/31 and rolled forward to the measurement date.

These schedules are presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

ST. HELENS SCHOOL DISTRICT
COLUMBIA COUNTY, OREGON

REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2019

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET OPEB LIABILITY FOR RHIA

Year Ended June 30,	District's proportion of net OPEB liability	District's proportionate share of the net OPEB liability (NOL)	District's covered payroll	NOL as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total OPEB liability
2019	0.15 %	$ (167,825)	$ 15,650,307	(1.07) %	82.1 %
2018	0.15	(63,550)	15,374,390	(0.41)	108.9
2017	0.16	42,223	14,581,783	0.29	94.1

The amounts presented for each fiscal year were actuarially determined at 12/31 and rolled forward to the measurement date.

These schedules are presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

SCHEDULE OF CONTRIBUTIONS FOR RHIA

Year Ended June 30,	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	Employer's covered payroll	Contributions as a percent of covered payroll
2019	$ 77,289	$ 77,289	$	$ 17,481,623	0.44 %
2018	72,797	72,797	-	15,650,307	0.47
2017	87,321	87,321	-	15,374,390	0.57

The amounts presented for each fiscal year were actuarially determined at 12/31 and rolled forward to the measurement date.

These schedules are presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

ST. HELENS SCHOOL DISTRICT
COLUMBIA COUNTY, OREGON

SCHEDULE OF CHANGES IN OTHER POST EMPLOYMENT BENEFITS (OPEB) LIABILITY
For the Year Ended June 30, 2019

	2019	2018
Total OPEB Liability beginning of year	$ 1,775,600	$ 1,921,756
Changes for the year:		
Service Cost	29,107	28,122
Interest	63,924	69,312
Changes of Benefit Terms	-	-
Differences Between Expected and Actual Experience	-	31,512
Changes of Assumptions or Other Input	-	13,958
Benefit Payments	(273,050)	(289,060)
Net Changes for the Year	(180,019)	(146,156)
Total OPEB Liability end of year	$ 1,595,581	$ 1,775,600
Covered Payroll	14,513,153	14,022,370
Net Single Employer Pension Plan as a Percentage of Covered Payroll	10.99%	12.66%

Note: This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full year trend has been compiled, information is presented for the years for which the required supplementary schedule information is available. The District implemented GASB 75 in the fiscal year ending June 30, 2018.

ST. HELENS SCHOOL DISTRICT
COLUMBIA COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2019

GENERAL FUND

	ORIGINAL BUDGET	FINAL BUDGET		ACTUAL	VARIANCE
REVENUES:					
Property Taxes	$ 8,725,784	$ 8,725,784		$ 9,101,341	$ 375,557
Intergovernmental					
Intermediate Sources	163,100	163,100		658,252	495,152
State Sources	19,245,032	19,365,032		19,664,685	299,653
Federal Sources	-	-		28,108	28,108
Charge for Services	43,000	43,000		32,787	(10,213)
Contributions	1,500	1,500		2,500	1,000
Investment Earnings	79,498	79,498		262,353	182,855
Miscellaneous	65,507	65,507		117,676	52,169
Total Revenue	28,323,421	28,443,421		29,867,702	1,424,281
EXPENDITURES:					
Current					
Instruction	17,891,973	18,252,168	(1)	17,442,654	809,514
Support Services	11,303,329	11,597,295	(1)	11,268,725	328,570
Facilities and Acquisition and Construction	95,887	95,887	(1)	95,232	655
Debt Service					
Principal	167,000	167,000	(2)	167,000	-
Interest	11,642	11,642	(2)	11,642	-
Contingency	200,000	200,000	(1)	-	200,000
Total Expenditures	29,669,831	30,323,992		28,985,253	1,338,739
Excess of Revenues Over, (Under) Expenditures	(1,346,410)	(1,880,571)		882,449	2,763,020
Other Financing Sources (Uses):					
Transfers In	54,526	54,526		-	(54,526)
Transfers Out	(245,468)	(270,468)	(1)	(270,467)	1
Total Other Financing Sources, (Uses)	(190,942)	(215,942)		(270,467)	(54,525)
Net Change in Fund Balance	(1,537,352)	(2,096,513)		611,982	2,708,495
Beginning Fund Balance	2,884,092	4,776,243		5,023,226	246,983
Ending Fund Balance	$ 1,346,740	$ 2,679,730		$ 5,635,208	$ 2,955,478

(1) Appropriation Level
(2) Sum Equals Appropriation Level

ST. HELENS SCHOOL DISTRICT
COLUMBIA COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2019

SPECIAL REVENUE FUNDS

	ORIGINAL BUDGET	FINAL BUDGET	ACTUALS	VARIANCE
REVENUES:				
Intergovernmental				
Intermediate Sources	$ 39,890	$ 39,890	$ 132,666	$ 92,776
State Sources	1,074,503	1,074,504	869,290	(205,214)
Federal Sources	2,160,658	2,160,658	2,077,133	(83,525)
Charge for Services	929,877	929,876	807,562	(122,314)
Contributions	78,340	78,340	86,323	7,983
Investment Earnings	160	160	165	5
Miscellaneous	83,210	83,210	72,808	(10,402)
Total Revenues	4,366,638	4,366,638	4,045,947	320,691
EXPENDITURES:				
Current				
Instruction	2,710,648	2,570,648 (1)	2,495,224	75,424
Support Services	419,754	559,754 (1)	557,531	2,223
Enterprise and Community Services	1,262,540	1,262,540 (1)	1,129,033	133,507
Facilities and Construction	242,946	242,946 (1)	102,152	140,794
Total Expenditures	4,635,888	4,635,888	4,283,940	351,948
Excess of Revenues Over, (Under) Expenditures	(269,250)	(269,250)	(237,993)	(31,257)
Other Financing Sources (Uses):				
Transfers In	283,968	283,968	220,467	(63,501)
Transfers Out	(63,500)	(63,500) (1)	-	63,500
Total Other Financing Sources, (Uses)	220,468	220,468	220,467	-
Net Change in Fund Balance	(48,782)	(48,782)	(17,526)	(31,257)
Beginning Fund Balance	480,963	480,963	552,860	71,897
Ending Fund Balance	$ 432,181	$ 432,181	$ 535,334	$ 103,153

(1) Appropriation Level

ST. HELENS SCHOOL DISTRICT

COLUMBIA COUNTY, OREGON

SUPPLEMENTARY INFORMATION

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ST. HELENS SCHOOL DISTRICT
COLUMBIA COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2019

DEBT SERVICE

	ORIGINAL BUDGET	FINAL BUDGET		ACTUAL	VARIANCE
REVENUES:					
Property Taxes	$ 2,374,405	$ 2,374,405		$ 2,452,621	$ 78,216
Charges to Other Funds	2,481,674	2,481,674		2,429,896	(51,778)
Total Revenues	4,856,079	4,856,079		4,882,517	26,438
EXPENDITURES:					
Debt Service:					
Redemption of Principal	675,588	675,588	(2)	675,588	-
Interest	4,172,535	4,172,535	(2)	4,172,254	281
Total Expenditures	4,848,123	4,848,123		4,847,842	281
Excess of Revenues Over, (Under) Expenditures	7,956	7,956		34,675	26,719
Other Financing Sources (Uses):					
Transfers In	190,250	190,250		190,250	-
Transfers Out	(244,506)	(244,506)	(1)	(190,250)	54,256
Total Other Financing Sources, (Uses)	(54,256)	(54,256)		-	54,256
Net Change in Fund Balance	(46,300)	(46,300)		34,675	80,975
Beginning Fund Balance	244,506	244,506		290,567	46,061
Ending Fund Balance	$ 198,206	$ 198,206		$ 325,242	$ 127,036

(1) Appropriation Level
(2) Items are combined for the appropriation level

ST. HELENS SCHOOL DISTRICT
COLUMBIA COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2019

CAPITAL CONSTRUCTION

	ORIGINAL BUDGET	FINAL BUDGET		ACTUAL	VARIANCE
REVENUES:					
Construction Excise Tax	$ 85,000	$ 85,000		$ 113,541	$ 28,541
Intergovernmental					
Intermediate Sources	-	-		2,690	2,690
State Sources	4,000,000	4,000,000		4,000,000	-
Charge for Services	9,650	9,650		9,288	(362)
Investment Earnings	209,114	209,114		930,061	720,947
Total Revenues	4,303,764	4,303,764		5,055,580	751,816
EXPENDITURES:					
Current					
Facilities Acquisition and Construction	37,930,179	37,955,179	(1)	31,963,466	5,991,713
Contingency	2,200,000	2,200,000	(1)	-	2,200,000
Total Expenditures	40,130,179	40,155,179		31,963,466	8,191,713
Excess of Revenues Over, (Under) Expenditures	(35,826,415)	(35,851,415)		(26,907,886)	8,943,529
Other Financing Sources (Uses):					
Transfers In	50,000	50,000		50,000	-
Total Other Financing Sources, (Uses)	50,000	50,000		50,000	-
Net Change in Fund Balance	(35,776,415)	(35,801,415)		(26,857,886)	8,943,529
Beginning Fund Balance	40,680,000	40,680,000		44,981,245	4,301,245
Ending Fund Balance	$ 4,903,585	$ 4,878,585		$ 18,123,359	$ 13,244,774

(1) Appropriation Level

ST. HELENS SCHOOL DISTRICT
COLUMBIA COUNTY, OREGON

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2019

FEDERAL GRANTOR PROGRAM TITLE	FEDERAL CFDA NUMBER	PASS-THROUGH ORGANIZATION	PASS-THROUGH ENTITY NUMBER	EXPENDITURES	PASSED THROUGH SUBRECIPIENTS
U.S. DEPARTMENT OF EDUCATION					
Title I-A	84.010	ODE	50494	$ 322,423 (1)	-
Title I-A	84.010	ODE	45705	148,621 (1)	-
Title IIA - Improving Teacher Quality	84.367	ODE	49418	95,111	-
Title IIA - Improving Teacher Quality	84.367	ODE	45920	53,346	-
Title IVA - Student Support & Academic Enrichment	84.424	ODE	50834	24,693	-
IDEA Part B:					
IDEA Part B, Section 611	84.027	ODE	49964	498,158	-
IDEA Part B, Section 611	84.027	ODE	45268	25,137	-
IDEA Enhancement Grant	84.027	ODE	51381	3,073	-
SPR & I	84.027	ODE	44507	199	-
SPR & I	84.027	ODE	49625	3,654	-
Post School Outcomes	84.027	ODE	52319	735	-
Extended Assessment	84.027	ODE	49192	513	-
Special Ed Preschool					
IDEA Part B, Section 619	84.173	ODE	45515	3,715	-
IDEA Part B, Section 619	84.173	ODE	40691	1,091	-
Passed Through Department of Health and Human Services					
Youth Transition Program	84.126	OSDHS	154942	161,506	-
TOTAL U.S. DEPARTMENT OF EDUCATION				1,341,977	-
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES					
Child Care & Development Fund	93.575	OSDHS	156250	1,464	-
Title IV-E - Foster Care	93.658	ODE	47546	27,373	-
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				28,837	-
U.S. DEPARTMENT OF AGRICULTURE					
National School Breakfast Program	10.553	ODE	N/A	111,012	-
National School Lunch Program	10.555	ODE	N/A	465,521	-
National School Lunch Commodities	10.555	ODE	N/A	75,454	-
Summer Food Program	10.559	ODE	N/A	41,674	-
Child and Adult Care Food Program	10.558	ODE	N/A	3,901	-
Child Nutrition Discretionary Grants	10.579	ODE	51412	12,731	-
TOTAL U.S. DEPARTMENT OF AGRICULTURE				710,293	-
DIRECT FEDERAL GRANTS					
U.S. DEPARTMENT OF INTERIOR					
Bureau of Land Management	15.231	N/A	N/A	15,973	-
Bureau of Land Management	15.234	N/A	N/A	4,976	-
Bureau of Land Management	15.243	N/A	N/A	3,185	-
TOTAL U.S. DEPARTMENT OF INTERIOR				24,135	-
TOTAL DIRECT FEDERAL GRANTS				24,135	-
TOTAL GRANTS EXPENDED OR PASSED THROUGH TO SUBRECIPIENTS				$ 2,105,241	-

(1) Major Program

ST. HELENS SCHOOL DISTRICT
COLUMBIA COUNTY, OREGON

SCHEDULE OF PROPERTY TAX TRANSACTIONS AND BALANCES
OF TAXES UNCOLLECTED - GENERAL FUND
For the Year Ended June 30, 2019

TAX YEAR	ORIGINAL LEVY OR BALANCE UNCOLLECTED AT 7/01/18	DEDUCT DISCOUNTS	ADJUSTMENTS TO ROLLS	ADD INTEREST	CASH COLLECTIONS BY COUNTY TREASURER	BALANCE UNCOLLECTED OR UNSEGREGATED AT 6/30/19
GENERAL FUND:						
CURRENT:						
2018-19	$ 9,120,991	$ 267,086	$ 45,921	$ -	$ 8,638,588	$ 261,238
PRIOR YEARS:						
2017-18	289,147	-	13,997	10,230	167,783	145,591
2016-17	138,612	-	13,402	13,359	73,864	91,509
2015-16	80,284	-	14,206	16,032	67,825	42,697
2014-15	43,924	-	14,354	9,215	42,005	25,488
2012-13 & prior	108,462	-	12,741	6,977	96,334	31,846
Total Prior	660,429	-	68,700	55,813	447,811	337,131
Total General Fund	$ 9,781,420	$ 267,086	$ 114,621	$ 55,813	$ 9,086,399	$ 598,369

RECONCILIATION OF REVENUE:	GENERAL FUND
Cash Collections by County Treasurer Above	$ 9,086,399
Accrual of Receivables:	
June 30, 2018	(44,189)
June 30, 2019	51,469
Taxes in Lieu	7,662
Total Revenue	$ 9,101,341

ST. HELENS SCHOOL DISTRICT
COLUMBIA COUNTY, OREGON

SCHEDULE OF PROPERTY TAX TRANSACTIONS AND BALANCES
OF TAXES UNCOLLECTED - DEBT FUND
For the Year Ended June 30, 2019

TAX YEAR	ORIGINAL LEVY OR BALANCE UNCOLLECTED AT 7/01/18	DEDUCT DISCOUNTS	ADJUSTMENTS TO ROLLS	ADD INTEREST	CASH COLLECTIONS BY COUNTY TREASURER	BALANCE UNCOLLECTED OR UNSEGREGATED AT 6/30/19
DEBT SERVICE FUND:						
CURRENT:						
2018-19	$ 2,418,217	$ -	$ (14,699)	$ -	$ 2,332,967	$ 70,551
PRIOR YEARS:						
2017-18	64,724	-	6,202	4,961	40,380	35,507
2016-17	41,308	-	2,450	1,456	20,221	24,993
2015-16	23,723	-	6,432	752	19,076	11,831
2014-15	15,744	-	3,330	649	12,562	7,161
2012-13 & prior	29,988	-	(335)	1,589	22,321	8,921
Total Prior	175,487	-	18,079	9,407	114,560	88,413
Total Debt Service Fund	$ 2,593,704	$ -	$ 3,380	$ 9,407	$ 2,447,527	$ 158,964

RECONCILIATION OF REVENUE:	DEBT SERVICE FUND
Cash Collections by County Treasurer Above	$ 2,447,527
Accrual of Receivables:	
June 30, 2018	(10,664)
June 30, 2019	13,900
Taxes in Lieu	1,858
Total Revenue	$ 2,452,621

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ST. HELENS SCHOOL DISTRICT
COLUMBIA COUNTY, OREGON

OTHER INFORMATION

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ST. HELENS SCHOOL DISTRICT
COLUMBIA COUNTY, OREGON

REVENUE SUMMARY - ALL FUNDS
For the Year Ended June 30, 2019

Revenue from Local Sources		Fund 100	Fund 200	Fund 300	Fund 400
1110	Ad Valorem Taxes Levied by District	$9,095,950	$73,887	$2,451,467	
1130	Construction Excise Tax				$113,541
1190	Penalties and Interest on Taxes	$5,391		$1,154	
1311	Regular Day School Tuition - From Individuals	$570			
1500	Earnings on Investments	$262,353	$165		$930,062
1600	Food Service		$215,181		
1700	Extracurricular Activiies	$27,217	$365,568		
1800	Community Services Activities		$151,751		
1910	Rentals	$5,000			$9,288
1920	Contributions and Donations From Private Sources	$2,500	$86,323		
1950	Textbook Sales and Rentals		$1,015		
1960	Recovery of Prior Years' Expenditure	$268,188	$43,697		
1970	Services Provided Other Funds			$2,429,898	
1990	Miscellaneous	$117,676	$72,966		
	Total Revenue from Local Sources	$9,784,845	$1,010,553	$4,882,519	$1,052,891

Revenue from Intermediate Sources		Fund 100	Fund 200	Fund 300	Fund 400
2101	County School Funds	$297,162			
2102	General ESD Revenue	$40,000			
2105	Natural Gas, Oil, and Mineral Receipts	$24,917			
2200	Restricted Revenue	$27,984	$88,969		$2,688
	Total Revenue from Intermediate Sources	$390,063	$88,969	$0	$2,688

Revenue from State Sources		Fund 100	Fund 200	Fund 300	Fund 400
3101	State School Fund - General Support	$18,703,345			
3102	State School Fund - School Lunch Match		$9,152		
3103	Common School Fund	$297,330			
3104	State Managed County Timber	$440,005			
3199	Other Unrestricted Grants-in-Aid	$206,010			
3299	Other Restricted Grants-in-Aid	$17,996	$860,138		
3900	Revenue for/on Behalf of the District				$4,000,000
	Total Revenue from State Sources	$19,664,685	$869,290	$0	$4,000,000

Revenue from Federal Sources		Fund 100	Fund 200	Fund 300	Fund 400
4200	Unrestricted Revenue From the Federal Government Through the State	$27,373			
4300	Restricted Revenue From the Federal Government		$24,135		
4500	Restricted Revenue From the Federal Government Through the State	$735	$1,977,545		
4900	Revenue for/on Behalf of the District		$75,454		
	Total Revenue from Federal Sources	$28,108	$2,077,133	$0	$0

Revenue from Other Sources		Fund 100	Fund 200	Fund 300	Fund 400
5200	Interfund Transfers		$220,468	$190,250	$50,000
5300	Sale of or Compensation for Loss of Fixed Assets				
5400	Resources - Beginning Fund Balance	$5,023,226	$552,859	$290,566	$44,981,245
	Total Revenue from Other Sources	$5,023,226	$773,327	$480,816	$45,031,245
	Grand Total	$34,890,928	$4,819,272	$5,363,335	$50,086,825

ST. HELENS SCHOOL DISTRICT
COLUMBIA COUNTY, OREGON

EXPENDITURES SUMMARY - GENERAL FUND
For the Year Ended June 30, 2019

Fund: 100 General Fund

Code	Function	Totals	Object 100	Object 200
Instruction Expenditures				
1111	Elementary, K-5 or K-6	$6,092,442	$4,067,672	$1,926,658
1113	Elementary Extracurricular	$647		
1121	Middle/Junior High Programs	$2,064,400	$1,386,335	$649,079
1122	Middle/Junior High School Extracurricular	$42,534	$34,788	$6,804
1131	High School Programs	$4,075,518	$2,722,636	$1,284,882
1132	High School Extracurricular	$606,275	$403,048	$140,062
1140	Pre-Kindergarten Programs	$46,155	$30,245	$15,910
1210	Programs for the Talented and Gifted	$7,078	$5,612	$1,466
1220	Restrictive Programs for Students with Disabilities	$1,837,416	$1,114,407	$640,353
1250	Less Restrictive Programs for Students with Disabilities	$1,106,331	$719,052	$377,551
1260	Treatment and Habilitation	$40,192		
1280	Alternative Education	$1,289,825		
1291	English Second Language Programs	$213,417	$161,664	$45,259
1400	Summer School Programs	$20,425	$16,217	$4,208
	Total Instruction Expenditures	$17,442,654	$10,661,675	$5,092,230
Support Services Expenditures		**Totals**	**Object 100**	**Object 200**
2110	Attendance and Social Work Services	$130,972	$91,410	$38,336
2120	Guidance Services	$893,487	$576,630	$307,952
2130	Health Services	$262,536	$136,454	$61,364
2140	Psychological Services	$121,450	$73,051	$44,993
2150	Speech Pathology and Audiology Services	$412,110	$258,421	$148,524
2190	Service Direction, Student Support Services	$340,531	$228,021	$104,190
2210	Improvement of Instruction Services	$52,418	$35,696	$14,536
2220	Educational Media Services	$387,199	$231,622	$141,197
2230	Assessment & Testing	$103,010	$65,044	$31,437
2240	Instructional Staff Development	$179,031	$19,686	$93,242
2310	Board of Education Services	$233,675	$31,603	$9,839
2320	Executive Administration Services	$510,757	$292,491	$155,362
2410	Office of the Principal Services	$1,944,433	$1,238,361	$649,973
2520	Fiscal Services	$344,986	$196,892	$104,319
2540	Operation and Maintenance of Plant Services	$2,723,868	$909,045	$531,002
2550	Student Transportation Services	$1,773,965	$29,308	$12,347
2570	Internal Services	$99,637		
2660	Technology Services	$615,904	$192,600	$107,365
2700	Supplemental Retirement Program	$138,757		$138,757
	Total Support Services Expenditures	$11,268,725	$4,606,335	$2,694,735
Facilities Acquisition and Construction Expenditures		**Totals**	**Object 100**	**Object 200**
4150	Building Acquisition, Construction, and Improvement Services	$73,206		
4180	Other Capital Items	$22,026		
	Total Facilities Acquisition and Construction Expenditures	$95,232	$0	$0
Other Uses Expenditures		**Totals**	**Object 100**	**Object 200**
5100	Debt Service	$178,642		
5200	Transfers of Funds	$270,468		
	Total Other Uses Expenditures	$449,109	$0	$0
	Grand Total	$29,255,720	$15,268,010	$7,786,966

Object 300	Object 400	Object 500	Object 600	Object 700
$721	$97,391			
	$647			
$124	$28,816		$46	
	$942			
$4,819	$57,246		$5,936	
$42,615	$13,779		$6,770	
$65,896	$16,761			
$1,527	$8,202			
$40,192				
$1,289,825				
$4,078	$2,416			
$0				
$1,449,797	$226,200	$0	$12,752	$0

Object 300	Object 400	Object 500	Object 600	Object 700
$627	$599			
$2,393	$6,512			
$54,280	$10,139		$299	
$199	$3,207			
$954	$3,537		$675	
$5,017	$1,875		$1,428	
$1,812	$375			
	$14,380			
$3,505	$3,025			
$56,083	$7,961		$2,059	
$118,743	$3,628		$69,862	
$23,999	$35,474		$3,431	
$23,179	$26,560		$6,360	
$22,613	$4,212		$16,950	
$874,745	$250,635		$158,441	
$1,603,759	$128,552			
$99,637				
$141,101	$174,512		$325	
$3,032,644	$675,180	$0	$259,831	$0

Object 300	Object 400	Object 500	Object 600	Object 700
		$73,206		
		$22,026		
$0	$0	$95,232	$0	$0

Object 300	Object 400	Object 500	Object 600	Object 700
			$178,642	
				$270,468
$0	$0	$0	$178,642	$270,468

$4,482,441	$901,380	$95,232	$451,225	$270,468

ST. HELENS SCHOOL DISTRICT
COLUMBIA COUNTY, OREGON

EXPENDITURES SUMMARY - SPECIAL REVENUE FUND
For the Year Ended June 30, 2019

Fund: 200 Special Revenue Funds

Code	Function	Totals	Object 100	Object 200
Instruction Expenditures				
1111	Elementary, K-5 or K-6	$75,472	$13,779	$3,389
1121	Middle/Junior High Programs	$92,622	$60,827	$31,593
1122	Middle/Junior High School Extracurricular	$63,490	$8,426	$1,873
1131	High School Programs	$589,386	$298,264	$126,968
1132	High School Extracurricular	$284,986	$8,774	$1,129
1140	Pre-Kindergarten Programs	$324,832	$207,253	$98,063
1220	Restrictive Programs for Students with Disabilities	$227,283	$148,208	$75,449
1250	Less Restrictive Programs for Students with Disabilities	$458,368	$232,353	$168,847
1272	Title I	$378,785	$254,620	$96,293
	Total Instruction Expenditures	$2,495,224	$1,232,503	$603,605
Support Services Expenditures		**Totals**	**Object 100**	**Object 200**
2110	Attendance and Social Work Services	$106,194	$62,939	$38,935
2120	Guidance Services	$130,909	$59,871	$32,998
2130	Health Services	$14,017	$6,135	$1,568
2150	Speech Pathology and Audiology Services	$53,482	$26,977	$26,506
2210	Improvement of Instruction Services	$136,246	$84,677	$38,287
2230	Assessment & Testing	$35,766	$23,466	$12,300
2240	Instructional Staff Development	$57,704	$14,119	$1,827
2310	Board of Education Services	$176		
2320	Executive Administration Services	$63		
2520	Fiscal Services	$3,871		
2540	Operation and Maintenance of Plant Services	$4,239	$152	$15
2550	Student Transportation Services	$14,864		
	Total Support Services Expenditures	$557,531	$278,335	$152,435
Enterprise and Community Services Expenditures		**Totals**	**Object 100**	**Object 200**
3100	Food Services	$971,382	$349,895	$170,556
3300	Community Services	$7,496	$803	$163
3500	Custody and Care of Children Services	$150,154	$104,046	$41,928
	Total Enterprise and Community Services Expenditures	$1,129,033	$454,744	$212,647
Facilities Acquisition and Construction Expenditures		**Totals**	**Object 100**	**Object 200**
4150	Building Acquisition, Construction, and Improvement Services	$53,580		
4180	Other Capital Items	$48,572		
	Total Facilities Acquisition and Construction Expenditures	$102,152	$0	$0
	Grand Total	$4,283,940	$1,965,582	$968,688

Object 300	Object 400	Object 500	Object 600	Object 700
$48,914	$9,390			
	$203			
$13,428	$30,253		$9,509	
$33,949	$124,306		$5,898	
$62,639	$153,241		$59,203	
$252	$18,778		$486	
	$3,626			
$111	$11,192		$45,866	
	$27,871			
$159,294	$378,861	$0	$120,961	$0

Object 300	Object 400	Object 500	Object 600	Object 700
$3,737	$583			
$2,992	$35,049			
$2,339	$3,876		$99	
$13,144	$138			
$41,758				
			$176	
$63				
			$3,871	
$2,746	$1,180		$147	
$12,655	$2,209			
$79,433	$43,035	$0	$4,293	$0

Object 300	Object 400	Object 500	Object 600	Object 700
$15,606	$423,432		$11,894	
$142	$6,272		$115	
$456	$3,408		$315	
$16,205	$433,112	$0	$12,324	$0

Object 300	Object 400	Object 500	Object 600	Object 700
		$53,580		
		$48,572		
$0	$0	$102,152	$0	$0

$254,932	$855,008	$102,152	$137,578	$0

ST. HELENS SCHOOL DISTRICT
COLUMBIA COUNTY, OREGON

EXPENDITURES SUMMARY - DEBT SERVICE FUND
For the Year Ended June 30, 2019

Fund: 300 Debt Service Funds

Code	Function	Totals	Object 100	Object 200
Other Uses Expenditures				
5100	Debt Service	$4,847,843		
5200	Transfers of Funds	$190,250		
	Total Other Uses Expenditures	$5,038,092	$0	$0
	Grand Total	$5,038,092	$0	$0

Object 300	Object 400	Object 500	Object 600	Object 700
			$4,847,843	
				$190,250
$0	$0	$0	$4,847,843	$190,250
$0	$0	$0	$4,847,843	$190,250

ST. HELENS SCHOOL DISTRICT
COLUMBIA COUNTY, OREGON

EXPENDITURES SUMMARY - CAPITAL PROJECTS FUND
For the Year Ended June 30, 2019

Fund: 400 Capital Projects Fund

Code	Function	Totals	Object 100	Object 200
Facilities Acquisition and Construction Expenditures				
4110	Service Area Direction	$115,388		
4150	Building Acquisition, Construction, and Improvement Services	$31,441,829		
4180	Other Capital Items	$406,250		
	Total Facilities Acquisition and Construction Expenditures	$31,963,466	$0	$0
	Grand Total	$31,963,466	$0	$0

Object 300	Object 400	Object 500	Object 600	Object 700
$43,065		$70,327	$1,996	
$780,083		$30,661,745		
		$406,250		
$823,148	$0	$31,138,322	$1,996	$0
$823,148	$0	$31,138,322	$1,996	$0

DISTRICT BONDED INDEBTEDNESS

Debt Service Outstanding General Obligation Bonds

Fiscal Year	Principal	Interest	Total Debt Service
2019	$ 65,000	$ 2,301,450	$ 2,366,450
2020	165,000	2,300,150	2,465,150
2021	270,000	2,295,200	2,565,200
2022	385,000	2,284,400	2,669,400
2023	495,000	2,269,000	2,764,000
2024	590,000	2,254,150	2,844,150
2025	700,000	2,230,550	2,930,550
2026	815,000	2,202,550	3,017,550
2027	945,000	2,161,800	3,106,800
2028	1,080,000	2,124,000	3,204,000
2029	1,230,000	2,070,000	3,300,000
2030	1,390,000	2,008,500	3,398,500
2031	1,560,000	1,939,000	3,499,000
2032	1,745,000	1,861,000	3,606,000
2033	1,940,000	1,773,750	3,713,750
2034	2,150,000	1,676,750	3,826,750
2035	2,370,000	1,569,250	3,939,250
2036	2,605,000	1,450,750	4,055,750
2037	2,860,000	1,320,500	4,180,500
2038	3,125,000	1,177,500	4,302,500
2039	3,415,000	1,021,250	4,436,250
2040	3,715,000	850,500	4,565,500
2041	4,040,000	664,750	4,704,750
2042	4,385,000	462,750	4,847,750
2043	4,870,000	121,750	4,991,750
	$ 46,910,000	$ 42,391,250	$ 89,301,250

DISTRICT BONDED INDEBTEDNESS (CONTINUED)

Debt Service Full Faith and Credit Obligations

Fiscal Year	Principal	Interest	Total Debt Service
2019	$ 777,589	$ 1,882,727	$ 2,660,316
2020	779,273	2,005,535	2,784,808
2021	1,300,654	1,649,633	2,950,287
2022	1,359,355	1,694,535	3,053,890
2023	1,466,036	1,728,918	3,194,954
2024	2,599,000	740,159	3,339,159
2025	2,886,000	603,155	3,489,155
2026	3,203,000	449,123	3,652,123
2027	3,360,000	278,166	3,638,166
2028	1,585,000	89,164	1,674,164
	$19,315,906	$11,121,112	$30,437,019

Summary of Overlapping Debt 2019

Overlapping District	Real Market Value	Percent Overlap	Overlapping Debt	
			Gross Debt (1)	Net Debt (2)
City of Columbia City	$262,026,635	100.00%	$2,620,151	$2,620,151
City of St. Helens	1,388,707,662	100.00%	6,073,000	1,000,000
Columbia County	7,286,739,717	34.63%	3,176,375	939,967
Columbia River Fire & Rescue	3,409,018,234	72.44%	1,590,058	1,590,058
Columbia Soil & Water Conservation	7,272,582,807	34.70%	84,974	-
Northwest Regional ESD	129,222,461,748	1.95%	64,439	-
Port of St Helens	6,398,798,169	39.13%	4,430,017	4,430,017
Portland Community College	264,075,363,856	.95%	6,476,215	5,748,933
Total			$24,515,229	$16,329,126

(1) Gross Bonded Debt includes all bonds backed by a general obligation pledge including self-supporting general obligation bonds and limited tax debt.

(2) Net Direct Debt includes all unlimited tax-supported bonds. Self-supporting bonds are excluded.

Source: Oregon State Treasury Debt Management Division.

FINANCIAL INFORMATION

Debt Ratios 2019

Real Market Value		$ 2,801,660,585
Assessed Valuation		$ 1,837,724,405
Estimated Population		21,653
Per Capita Real Market Value		$ 129,389
Debt Information	**Gross Direct Debt(1)**	**Net Direct Debt(2)**
District Direct Debt	$ 65,383,318	$ 65,383,318
Overlapping Direct Debt	$ 24,515,229	$ 16,329,126
Total Direct Debt	$ 89,898,547	$ 81,712,444
Bonded Debt Ratios		
District Direct Debt to Real Market Value	2.33%	2.33%
Total Direct Debt to Real Market Valuation	3.21%	2.92%
Per Capita District Direct Debt	$ 3,020	$ 3,020
Per Capita Total Direct Debt	$ 4,152	$ 3,774

(1) Gross Bonded Debt includes all bonds backed by a general obligation pledge including self-supporting general obligation bonds and limited tax debt.
(2) Net Direct Debt includes all unlimited tax-supported bonds. Self-supporting bonds are excluded.

Source: Columbia County Assessor's Office, Oregon State Treasury Debt Management Division.

PROPERTY TAX

St. Helens School District Property Valuations

Fiscal Year	M5 Real Market Value	Real Market Value	Assessed Value	AV to RMV Percentage
2019	$2,524,135,009	$ 2,801,660,585	$ 1,837,724,405	65.6%

Source: Columbia County Assessor's Office.

District Tax Collection Record

Fiscal Year	Percent Collected as of Levy Year[(1)]	Percent Collected as of 6/30/2019[(2)]
2019	97.12	97.12
2018	96.77	98.53
2017	96.73	99.10
2016	93.79	99.66
2015	96.60	99.87

(1) The percentage of taxes collected in the "year of the levy" represents taxes collected in a single levy year, beginning July 1 and ending June 30.
(2) The percentage of taxes collected in the column represents taxes collected cumulatively from July 1 in a given levy year through 06/30/2019.
Source: Columbia County Tax Collector.

PROPERTY TAX (CONTINUED)

Major Taxpayers for District 2019

Taxpayer	Business/Service	Tax	Assessed Value	Percent of Total AV
Dyno Nobel Inc.	Explosives Manufacturer	$ 718,863	$ 56,010,175	3.0%
Armstrong World Industries	Ceiling Tile Manufacturer	375,458	25,394,700	1.4%
Columbia River PUD	Utility	266,749	20,255,500	1.1%
Cascades Tissue Group Oregon	Paper Products	221,198	54,311,060	3.0%
Northwest Natural Gas Co.	Utility	207,589	14,608,000	0.8%
Wal-Mart Real Estate Business Trust	Real Estate	132,466	8,956,280	0.5%
Letica Corporation	Manufacturing	129,237	8,725,500	0.5%
Knife River Corporation	Construction	121,752	6,318,106	0.3%
Centurylink	Telecommunications	108,378	7,558,000	0.4%
Longview Timberlands, LLC	Timber	107,017	8,371,678	0.5%
Subtotal - ten of District's largest taxpayers		$2,388,707	$210,508,999	11.5%
All other District taxpayers in Columbia County			$ 1,627,215,406	88.5%
Total District Taxpayers			$ 1,837,724,405	100.0%

Source: Columbia County Assessor's Office.

District Levy Rates

Fiscal Year	Permanent Rate	Bond Levy Rate	Local Option Rate
2019	5.0297	1.331	0.0000

Source: Columbia County Assessor's Office.

ST. HELENS SCHOOL DISTRICT
COLUMBIA COUNTY, OREGON

SCHEDULE OF SUPPLEMENTARY INFORMATION AS REQUIRED BY OREGON
DEPARTMENT OF EDUCATION
YEAR ENDED JUNE 30, 2019

A. Energy Bill for Heating – All Funds:
Please enter your expenditures for electricity, heating fuel, and water & sewage for these Functions & Objects.

	Objects 325, 326 & *327
Function 2540	$564,043
Function 2550	$-

B. Replacement of Equipment – General Fund:
Include all General Fund expenditures in object 542, except for the following exclusions:

$22,026

Exclude these functions:

1113	Elementary Co-curricular Activities
1122	Middle School Co-curricular Activities
1132	High School Co-curricular Activities
1140	Pre-Kindergarten
1300	Continuing Education
1400	Summer School
2550	Pupil Transportation
3100	Food Service
3300	Community Services
4150	Construction

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ST. HELENS SCHOOL DISTRICT

COLUMBIA COUNTY, OREGON

INDEPENDENT AUDITORS' REPORT REQUIRED BY OREGON STATE REGULATIONS

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December 19, 2019

Independent Auditors' Report Required by Oregon State Regulations

We have audited the basic financial statements of the St. Helens School District as of and for the year ended June 30, 2019, and have issued our report thereon dated December 19, 2019. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards.

Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statues as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on the determination of financial statements amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

We performed procedures to the extent we considered necessary to address the required comments and disclosures which included, but were not limited to the following:

- **Deposit of public funds with financial institutions (ORS Chapter 295)**
- **Indebtedness limitations, restrictions and repayment.**
- **Budgets legally required (ORS Chapter 294).**
- **Insurance and fidelity bonds in force or required by law.**
- **Programs funded from outside sources.**
- **Authorized investment of surplus funds (ORS Chapter 294).**
- **Public contracts and purchasing (ORS Chapters 279A, 279B, 279C).**
- **State school fund factors and calculation.**

In connection with our testing nothing came to our attention that caused us to believe the St. Helens School District was not in substantial compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, except as noted:

OAR 162-10-0230 Internal Control

In planning and performing our audit, we considered the internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the internal control over financial reporting.

This report is intended solely for the information and use of the Board and management and the Oregon Secretary of State and is not intended to be and should not be used by anyone other than these parties.



Tara M. Kamp, CPA
PAULY, ROGERS AND CO., P.C.

ST. HELENS SCHOOL DISTRICT
COLUMBIA COUNTY, OREGON

GRANT COMPLIANCE REVIEW

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December 19, 2019

To the Board of Directors
St. Helens School District
Columbia County, Oregon

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, and each major fund of St. Helens School District as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the basic financial statements, and have issued our report thereon dated December 19, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of internal control. Accordingly, we do not express an opinion on the effectiveness of internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the financial statements will not be prevented, or detected and corrected on a timely basis.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the financial statements are free from material misstatement, we performed tests of compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Tara M. Kamp, CPA
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December 19, 2019

To the Board of Directors
St. Helens School District
Columbia County, Oregon

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Report on Compliance for Each Major Federal Program

We have audited St. Helens School District's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the major federal programs for the year ended June 30, 2019. The major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for the major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of compliance.

Opinion on Major Federal Program

In our opinion, St. Helens School District, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal programs for the year ended June 30, 2019.

Report on Internal Control Over Compliance

Management is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Tara M. Kamp, CPA
PAULY, ROGERS AND CO., P.C.

ST. HELENS SCHOOL DISTRICT
COLUMBIA COUNTY, OREGON

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2019

SECTION I – SUMMARY OF AUDITORS' RESULTS

FINANCIAL STATEMENTS

Type of auditors' report issued	Unmodified	
Internal control over financial reporting:		
Material weakness(es) identified?	☐ yes	☒ no
Significant deficiency(s) indentified that are not considered to be material weaknesses?	☐ yes	☒ none reported
Noncompliance material to financial statements noted?	☐ yes	☒ no
Any GAGAS audit findings disclosed that are required to be reporting in accordance with the Uniform Guidance?	☐ yes	☒ no

FEDERAL AWARDS

Internal control over major programs:		
Material weakness(es) identified?	☐ yes	☒ no
Significant deficiency(s) indentified that are not considered to be material weaknesses?	☐ yes	☒ none reported
Type of auditors' report issued on compliance for major programs:	Unmodified	
Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance?	☐ yes	☒ no

IDENTIFICATION OF MAJOR PROGRAMS

CFDA NUMBER	NAME OF FEDERAL PROGRAM CLUSTER
84.010	Title IA

Dollar threshold used to distinguish between type A and type B programs:	$750,000	
Auditee qualified as low-risk auditee?	☒ yes	☐ no

ST. HELENS SCHOOL DISTRICT
COLUMBIA COUNTY, OREGON

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2019

SECTION II – FINANCIAL STATEMENT FINDINGS

None Noted

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None Noted

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the schedule presents only a selected portion of the operations, it is not intended to and does not present the net position, changes in net position, or cash flows of the entity.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowed or are limited as to reimbursement. Negative amounts shown on the schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. The entity has not elected to use the ten percent de minimus indirect cost rate as allowed under Uniform Guidance, due to the fact that they already have a negotiated indirect cost rate with Oregon Department of Education, and thus is not allowed to use the de minimus rate.